CIP
Copenhagen Infrastructure Partners

Copenhagen Infrastructure Partners

ESG Report 2023

CVR no. 37994006

Building value that matters

We are a fund management company specialised in offering tailor-made investments in energy infrastructure assets globally – in particular within renewables and the greenfield segment. We are pioneers in taking our approach and methods global and in realising a profitable green energy transition based on high ESG standards.

We are a private equity fund and an industry-based energy entrepreneur. The ability to effectively link energy projects and capital is at the heart of our success. Our capability to combine industrial insight and financial expertise with speed, efficiency and agility delivers solid and risk-adjusted returns for our investors. We focus on investments in greenfield energy infrastructure projects.

COMPANY

Year of foundation
2012

Global offices
12

Number of employees
500+

FUNDS

Number of funds
12

Funds raised 2012-2023
€28bn

Global institutional investors
160+

PROJECTS

Countries
30+

GW pipeline
120+

CIP funds at a glance

CIP specialises in greenfield renewable energy infrastructure investment and invests globally across all major renewable technologies including offshore wind, onshore wind, solar PV, energy storage, Power-to-X, advanced bioenergy, transmission and other renewables. Since its incorporation, CIP has raised approximately EUR 28 billion across 12 funds, representing six distinct fund strategies. These include:

- Flagship Funds (CI I-V) that focus on renewable power and associated infrastructure primarily in OECD countries.
- Growth Markets Funds (CI GMF I-II) that focus on renewable power and associated infrastructure in fast-growing, middle-income markets (OECD and non-OECD)[1].
- Energy Transition Funds (CI ETF I) that focus on clean hydrogen, mainly Power-to-X, primarily in OECD countries.
- Advanced Bioenergy Funds (CI ABF I) that focus on advanced biogas and fuels, primarily in OECD countries.
- Artemis Funds (CI Artemis I-II) that focus on regulated transmission assets.
- Green Credit Funds (CI GCF I) that provide financing to renewable power and associated infrastructure projects, primarily in OECD countries and held by non-CIP equity sponsors.

OUR CONTRIBUTIONS BY THE END OF 2023

~12.9mn t

expected Greenhouse Gas (GHG) emissions to be avoided annually[2]

~13.2mn

expected equivalent households to be powered[2]

~12.3GW

of energy projects reached Final Investment Decision[2]

PROJECT TYPES

- Offshore
- Transmission
- Onshore
- Solar
- Advanced bioenergy
- Waste-to-energy
- Geothermal
- Power-to-X
- Storage
- Hydro pumped storage

This ESG report is a report made available by CIP to report on the ESG performance of the Funds and CIP. The report is not extending the CSR information provided in the annual report for CIP Holding P/S or CIP P/S and is not made available to ensure compliance with the disclosure requirements of the Danish Financial Statement Act for CIP Holding P/S or CIP P/S. Appendix: CSR Commentary for Funds on **page 72** constitutes Funds' compliance with the statutory statement on corporate social responsibility, in accordance with section 99a of the Danish Financial Statements Act.

1) Not OECD countries within the Flagship Funds' focus markets.
2) Further details on reporting practices are provided in **Chapter 5.** Fund size does not always correlate to impact size as some funds are still investing. Figures represent all investments that have reached Final Investment Decision by 31 December 2023. Assets in which more than one fund is invested, are only counted once in totals.

CIP FUNDS AT A GLANCE – CONTINUED

Flagship Funds

CI I 2012[1]
€1bn
N/A MW
N/A investments
N/A expected GHG emissions to be avoided annually[2]
N/A expected equivalent households to be powered[2]

CI II 2014
€2bn
2465 MW
7 investments
4,405,000t expected GHG emissions to be avoided annually[2]
1,885,000 expected equivalent households to be powered[2]

CI III 2017
€3.5bn
2718 MW
9 investments
3,650,000t expected GHG emissions to be avoided annually[2]
1,935,000 expected equivalent households to be powered[2]

CI IV 2020
€7.3bn
2788 MW
7 investments
1,600,000t expected GHG emissions to be avoided annually[2]
820,000 expected equivalent households to be powered[2]

CI V 2023
€12.0bn[3]
419 MW
1 investment
395,000t expected GHG emissions to be avoided annually[2]
125,000 expected equivalent households to be powered[2]

Artemis Funds

CI Artemis I 2014
€0.4bn
900 MW
1 investment
N/A expected GHG emissions to be avoided annually[2, 5]
745,000 expected equivalent households to be powered[2]

CI Artemis II 2020
€0.3bn
2806 MW
1 investment
N/A expected GHG emissions to be avoided annually[2, 5]
2,320,000 expected equivalent households to be powered[2]

Growth Markets Funds

CI GMF I 2019
$1.0bn[4]
1528 MW
3 investments
5,525,000t expected GHG emissions to be avoided annually[2]
6,390,000 expected equivalent households to be powered[2]

CI GMF II 2025
$3.0bn[3, 4]
N/A MW
- investment
N/A expected GHG emissions to be avoided annually[2, 6]
N/A expected equivalent households to be powered[2, 6]

Green Credit Funds

CI GCF I 2022
€1.0bn
N/A MW
4 investments
N/A expected GHG emissions to be avoided annually[2, 7]
N/A expected equivalent households to be powered[2, 7]

Energy Transition Funds

CI ETF I 2021
€3.1bn
N/A MW
1 investment
N/A expected GHG emissions to be avoided annually[2, 8]
N/A expected equivalent households to be powered[2, 8]

Advanced Bioenergy Funds

CI ABF I 2022
€0.75bn
52 MW
1 investment
40,000 expected GHG emissions to be avoided annually[2]
115,000 expected equivalent households to be powered[2]

1) CI I was fully divested prior to the reporting period.
2) Further details on reporting practices are provided in Chapter 5. Fund size does not always correlate to impact size as some funds are still investing. Figures represent all investments that have reached FID by 31 Dec 2023. Total project figure for CI II and CI III include the full impact of Changfang Xidao & Vineyard Wind 1.
3) CI V and CI GMF II are actively fund-raising as of 31 Dec 2023 and as such these figures represent the target fund size.
4) CI GMF I and CI GMF II funds are USD denominated funds and as such fund size is reported in USD.
5) CI Artemis I and CI Artemis II is N/A as the metric is not relevant for transmission assets.
6) CI GMF II is N/A as no investments have taken FID by 31 Dec 2023.
7) CI GCF I is N/A due to data availability.
8) CI ETF I is N/A as metrics are not directly applicable for investments in an electrolyser producer.

Contents

01
CIP at a glance

02
CIP's ESG framework

03
ESG at investment-level

04
ESG in our own operations

05
Disclosures and reporting frameworks

Letter from management

Navigating complexity in the drive towards net zero

The need for immediate climate action and the transition to renewable energy systems is stronger than ever as impacts of the climate crisis are increasingly evident –record-breaking heat waves, warming oceans, severe floods, prolonged droughts and extreme wildfires. To successfully reach net zero emissions, we need to bring affordable, reliable and renewable energy to all parts of the world – especially in areas with high reliance on fossil fuels.

Growing demand in a complex market

Demand for renewable energy has never been greater. Coming off 2023, forecasts for further capacity additions are strong. External institutions expect a doubling to a tripling of 2022's total renewable energy installations depending on the scenario – all to be built in less than a decade. Internal views at CIP echo the robust renewables outlook, given the cost-competitiveness of clean energy technologies, need to reduce GHG emissions, necessity to ensure energy security in a new and volatile geopolitical context, and desire to capture the economic growth and jobs associated with the renewable industry. Large-scale renewable energy infrastructure projects provide long-term positive impacts to local and particularly rural communities through economic growth and jobs. Job creation is a key positive social impact of CIP funds' projects, in which thousands of direct and indirect jobs are created.

CIP has managed to capture many of the opportunities associated with these developments, resulting in a total development pipeline of over 120 GW of renewable energy projects.

This was also the case in 2023, despite a challenging global context for investors and developers. Geopolitical changes, macro-economic volatility and global strained supply chains created headwinds for all large-scale infrastructure projects – including renewable energy and offshore wind.

CIP and the rest of the industry nevertheless found ways to ensure that 2023 was the single highest year yet for global renewable energy installations. We contributed to this through reaching key project milestones across global markets, and by raising approximately EUR 9 billion by reaching first close of our fifth Flagship Fund (CI V), final close of the Advanced Bioenergy Fund I (CI ABF I) and Green Credit Fund I (CI GCF I), and launching the Growth Markets Fund II (CI GMF II).

Torsten Lodberg Smed, Jakob Baruël Poulsen, Christian Skakkebæk, Christina Grumstrup Sørensen

Continued confidence of our investors

The project milestones achieved during the year and the continued confidence of our investors are a testament of our distinct greenfield and industrial approach to investing in clean energy, our capability to mitigate and avoid risks, our ability to leverage the optionality that comes with our scale and diversification across technologies and geographies. We are confident that these strategies will continue to yield robust results in 2024.

2024 could become a strong year for renewables. The renewables market is adjusting and rebalancing, improving the investment case for clean energy. Offtake prices have responded appropriately to offset macroeconomic developments, including those that have impacted the capital expenditure of projects. Moreover, commodity prices (e.g. polysilicon, lithium carbonate, steel) and freight prices are returning to levels more familiar with 2020-2021 norms following the geopolitical and supply chain volatility starting in 2022. Combined with the


Vineyard Wind I, US

recent trend of declining interest rates, we see an encouraging road ahead for project economics. In combination with much needed positive developments in supportive regulatory and political regimes for the build out of clean energy, driven by the need for affordable new power generation, growth and jobs, energy security and the continued quest for net zero, we remain optimistic and confident that 2024 will be another record year in the renewable space.

Addressing the largest obstacles

CIP remains committed to making significant and meaningful contributions to the green transition through the large deployment of global capital into the renewable energy build-out. Such deployments are essential to support reaching net zero emissions, mitigating the impacts of global warming and addressing energy security and affordability issues.

CI V is set to become the world's largest greenfield renewable energy fund in advanced economies and a significant global driver in the green transition. With a target size of EUR 12 billion, the fund has the potential to add an estimated 20 GW of new renewable energy capacity to the grid, corresponding to an annual GHG emissions avoidance of 15 million metric tonnes – equivalent to half of the GHG annual emissions of countries like Denmark and New Zealand.

CI GMF II focuses on renewable energy deployment in high-growth, middle-income markets across Asia, Latin America and EMEA. With a significant reliance on coal, many of these markets display a strong potential for fossil fuel displacement. As a result of this, and lower cost of procurement and construction, the estimated avoided emissions per dollar invested is three times higher relative to greenfield investments in advanced economies. With a target size of USD 3 billion, the fund is expected to enable more than 10 GW of new renewable energy capacity, corresponding to an annual emissions avoidance of more than 10 million metric tonnes and powering millions of homes.

Furthermore, with about EUR 1 billion of commitments, CI GCF I, our first debt fund, is paving new ways of financing renewable energy projects globally, expanding the pool of capital available to other developers. With the final close of CI ABF I, institutional investors can contribute to the energy transition through the production of advanced biofuels and biogas, an otherwise underserved, and impactful segment given its high complexity

Managing impacts

While the transition to renewable energy systems is central to reaching net zero emissions, we remain conscious of the impacts and depen-dencies on nature and local communities which are inherent to building large-scale renewable energy infrastructure. As we continue to expand our scope and activities, we not only increase our contribution to the green transition, but also our influence and responsibilities.

In response, we ramped up our ESG resources in 2023. This allowed us to strengthen our efforts to measure and manage both positive and adverse impacts. Our ESG focus areas in the past year included:

- **Maintaining high ESG standards as we enter growth markets.** In 2023, we rolled out our new Code of Conduct for Business Partners that defines CIP's requirements and expectations to suppliers with respect to ESG performance and efforts. In addition, we strengthened focus on transparency and auditability of investments' supply chains. The recently launched CI GMF II – where we bring renewable energy to many of the world's fastest growing markets – is classified as a Dark Green Fund (Article 9 under SFDR – the most sustainable category). This is a result of our ESG standards, which in several markets, exceed local regulations, practices and requirements.

- **Decarbonising the operations and supply chains of investments.** In 2023, we started integrating decarbonisation initiatives into our supplier agreements to ensure transparency on the supply chain emissions of components across select fund strategies. These efforts will be further strengthened during the course of 2024.

- **Implementing high standards in nature and resource stewardship.** The focus so far has been on developing and launching our Biodiversity Action Plan. Building on existing project-level best practices, the plan formalises our guiding principles, that seeks to ensure biodiversity impacts are assessed and that measures for protecting and restoring biodiversity are implemented in future funds' investments.

- **Building and maintaining positive and long-term relationships with local communities,** based on trust and mutual respect. In the past year, we have maintained our focus on building and maintaining long-term relationships with local communities following the principles of our Responsible Investment Policy. At the same time, we have continued our work with relevant stakeholders towards developing a dedicated Indigenous People Policy that seeks to further define these overarching principles for CIP's funds' investments to apply within this highly project-specific topic.

Employees engaged in making a difference

Our employees are dedicated to driving positive change, and we remain supportive of them in making a difference. In 2023, we launched the CIP Family Gives Back Programme, providing employees the opportunity to give back to s ociety by supporting projects and charities around the world. We look forward to continue the development of this programme in the coming years.

In addition, we have had a strong focus on increasing the diversity across the organisation. We will continue our targeted efforts in this area across recruitment, development, promotion and retention, for example by removing unconscious bias in the hiring process.

CIP has laid a solid foundation – developing greenfield renewable energy infrastructure based on high ESG standards – and we are committed to continue building on this in 2024, driving the transition to net zero emissions.

On behalf of Copenhagen Infrastructure Partners,

Jakob Baruël Poulsen
Christian Skakkebæk
Christina Grumstrup Sørensen
Torsten Lodberg Smed

2023 ESG highlights

This report highlights ESG at CIP. It describes CIP's approach and ambitions across the 'E', 'S' and 'G' dimensions and elaborates on key 2023 events and initiatives at both the CIP and investment levels. Chapter 1 covers our overall ESG approach and ambitions. Chapter 2 describes how we integrate ESG across all stages of the investment cycle. Chapter 3 describes ESG efforts and performance on investment-level, while Chapter 4 highlights ESG efforts in our own organisation. Key ESG metrics that we use to measure and track our contribution can be found in .

INVESTMENT-LEVEL

Avoided Emissions
GHG emissions to be avoided annually from renewable infrastructure

12.9mn t

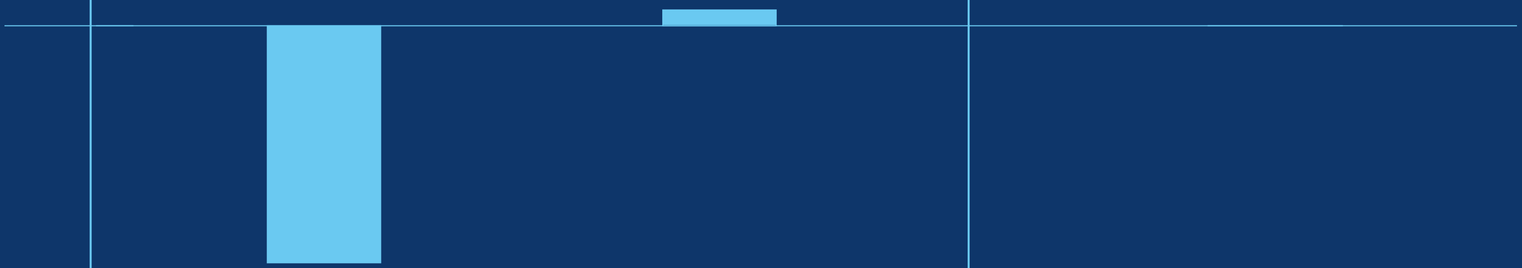
Financed Emissions
GHG emissions from investments' supply chains annually

0.7mn t

OWN OPERATIONS

Management Emissions
GHG emissions from CIP's own operations

0.01mn t



CIP's greenfield investment strategy adds additional renewable energy capacity to the grid, leading to avoided emissions which far outweigh financed and management emissions.

KEY EVENTS AND ENGAGEMENTS

2023

February
CI ABF I reached Final Investment Decision on Tønder Biogas, CIP's first investment in renewable natural gas

March
Joined the United Nations Global Compact (UNGC)

Became a member of the Word Economic Forum (WEF), joining more than 1,000 other global enterprises

Through CI GMF I, CIP made its first investment in South Africa, acquiring the majority of a developer within Mulilo Energy Holdings

May
CI IV reached Final Investment Decision on Teruel, an 800 MW onshore wind project in Spain

Joined Global Office Wind Alliance to accelerate offshore wind deployment globally

June
CI ETF I reached Final Investment Decision on CWP H1

Invested in TagEnergy's green bond totaling a maximum of EUR 570 million. The bond enables growth of its renewable energy portfolio of onshore wind, battery energy storage systems (BESS) and solar PV assets across the UK, Europe and Australia

July
CI V reached Final Investment Decision on the fund's first investment, in Panther Grove I, a 400+ MW onshore wind project in Illinois, United States

Reached final close of one new fund, CI Advanced Bioenergy Fund I (CI ABF I)

August
Reached final close of one new fund, CI Green Credit Fund I (CI GCF I)

September
CI GMF I reached Final Investment Decision on Project Hatalageri, an onshore windfarm in India, which is the first project developed under the IRIS partnership with Viviid Renewables, an Indian developer

November
CI GCF I led transaction to provide debt financing to Ilmatar, a Nordic energy company

December
CI IV reached Final Investment Decision on Coalburn I, the first battery energy storage project to reach Final Investment Decision across CIP's funds

Participated on the 2023 United Nations Climate Change Conference (COP28) in Dubai, where we hosted and took part in several high-profile events

Launched our second Growth Markets Fund, CI GMF II with a USD 3 billion target size

Became a member of the Solar Stewardship Initiative

> *"Our robust ESG framework and procedures enable us to effectively address ESG risks and pursue ESG opportunities on CIP, fund and investment levels.*
>
> *This is pivotal to ensure long-term sustainable value creation for the planet and local, often rural communities, as well as for our investors, business partners and employees, especially as we continue accelerating activities, enter new markets, opportunities and deploy new technologies.*

Helle Gammelgaard
Head of ESG

KEY 2023 STRATEGIC ESG INITIATIVES

- Rolled out CIP's new Code of Conduct for Business Partners, clearly defining CIP's requirements and expectations of suppliers with respect to ESG performance and efforts
- Initiated a piloting of our decarbonisation efforts on a selection of projects under development
- Introduced our Biodiversity Action Plan, that seeks to ensure biodiversity impacts are assessed and measured in order to protect and restore biodiversity
- Enhanced CIP incident response procedures across all ESG aspects
- Extended existing control and reporting framework to allow for scalability
- Strengthened governance with the establishment of the CIP ESG Committee
- Increased reporting capabilities and data quality

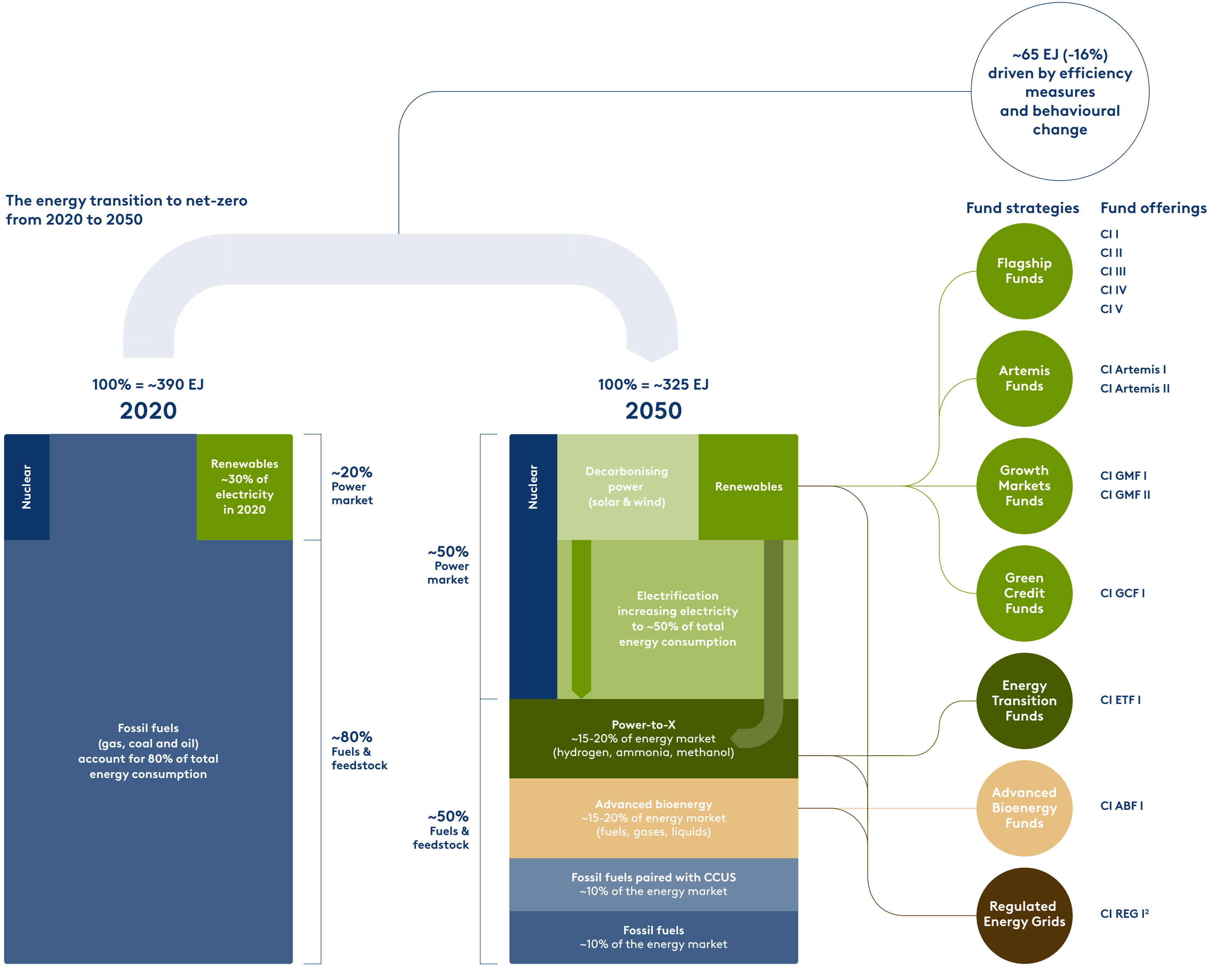
Our fund strategies

Limiting the rise in global temperatures to 1.5 °C requires a transition to net zero by 2050. For this, a recalibration of the global energy systems is needed. CIP's distinct fund strategies tap into this necessary energy transition.

CIP continues to innovate and invest capital into opportunities resulting from the energy transition required to reach net zero emissions. Our funds invest in building competitive renewable energy projects and associated infrastructure, which contribute to the decarbonisation of the power sector, including integration of renewables into the grid (CI I-V, CI Artemis I-II, CI GMF I-II and CI GCF I) and decarbonisation of hard-to abate sectors through the production of clean hydrogen (CI ETF I) and the production of advanced biogas and fuels (CI ABF I).

The UN Environmental Programme's 2023 Emissions Gap Report underlined that significant progress has been made since the Paris Agreement was signed in 2015. At this time, GHG emissions in 2030 were projected to increase by 16 percent, based on policies in place. Today, the projected increase is 3 percent. We are, however, still off track as 2030 GHG emissions must fall 42 percent to stay on track for the 1.5 °C pathway[1].

The demand for renewables has never been greater, and the opportunities to scale up renewable infrastructure have never been more abundant than now. CIP's fund strategies enable investors to tap into this opportunity.



1) UN Environmental Programme, Emissions Gap Report 2023
2) This is a new fund which does not currently have any investments which have reached Final Investment Decision

Jakob Groot
Partner at CIP

Project: Ilmatar

CASE | CI GCF I

Paving new ways of financing the green transition

Significant investment is needed to facilitate the necessary renewable energy build-out, and debt has a key role to play in this. In fact, in 2020, debt comprised more than half of capital deployed into global renewable energy investments[1].

Accessing debt is becoming more challenging. Rising interest rates, inflation and increasing project sizes are causing capital expenditure for renewable energy infrastructure to rise, driving up ticket sizes to finance projects. This, in turn, also means more equity is needed to access senior financing, leading shareholders to look at more efficient capital structures that include subordinated debt.

On the senior debt side, "Financing of the much-needed renewable energy build-out is currently constrained by project finance banks' capital requirements and rising capital expenditures," says Jakob Groot, Partner at CIP and Co-Head of CI GCF I. "Through our first debt fund, CI GCF I, we provide private credit to unlock this necessary intermediary financing – a central piece of the puzzle."

CIP's maiden debt fund, CI GCF I, reached final close in August 2023, with about EUR 1 billion of commitments. The fund focuses primarily on wind, solar PV, biomass, storage and transmission across Europe, North America, and selective jurisdictions in Asia Pacific.

"We've built the platform and the team specifically to be able to support a different part of the capital structure, and provide a new source of financing for the renewable energy sector. At the same time, we are able to draw on the resources and expertise that sit within the broader CIP organisation," says Groot. "This has enabled us to establish one of the few green credit funds of scale, providing dedicated and diversified exposure to renewable energy build-out."

Maintaining high ESG standards

"As the nature of credit funds differs from that of equity funds, we are further away from project decisions, such as procurement and construction, limiting our sphere of influence relative to CIP's other funds. But our ESG standards remain high," says Groot. "That is why we ask sponsors to document and disclose ESG processes, procedures and performance."

An example of this is the 2023 transaction in the Nordic energy company and independent power producer, Ilmatar. The transaction secures lending of EUR 500 million, supporting the development and construction of renewable energy projects in Sweden and Finland, in addition to other clean energy solutions.

During the due diligence phase, CIP worked directly with Ilmatar's management on a number of key topics, including ESG. Based on this dialogue, Ilmatar accelerated its implementation of a more stringent and comprehensive approach to supply chain management, including human right considerations, in its ESG policies.

KPIs (Ilmatar)

Renewable energy capacity that has reached FID

1GW

Secured enough land to power

~200,000

average households

KPIs (CI GCF I)

Deployed capital

40%

Number of transactions

4

1) IRENA Global Landscape of Renewable Energy Finance 2023.

Strategic ESG focus areas

Beyond the strategic, sustainable value creation inherent in our fund investment strategies, ESG is deeply rooted in our own operations and incorporated throughout the investment process. Our dedicated team across six continents focuses their efforts on contributing to global emission reduction. Building Value That Matters was front and centre at CIP also in 2023.

We work with six strategic ESG focus areas across E, S and G. The ESG focus areas have been defined to address ESG topics that are material to CIP and CIP's funds, ensuring ESG risks are managed and ESG opportunities pursued. We continuously evaluate which ESG topics are material to CIP and CIP's funds.

In the coming year, we expect to update our materiality assessment to reflect our activities in new technologies and geographies and the evolving needs of our investors, employees and other stakeholders. We will also account for "double materiality", in alignment with the EU Corporate Social Responsibility Directive. Double materiality is a concept in which companies consider how their actions impact both people and the planet, and how sustainability issues can affect a business' financial performance.

STRATEGIC ESG FOCUS AREAS

	Environmental		Social		Governance	
	1. Climate action	2. Nature & resource stewardship	3. Safe & inclusive working environment	4. Local community impact	5. Supply chain accountability	6. Responsible business practices
On investment-level	Driving the renewable energy transition Addressing financed supply chain emissions Ensuring resilience to climate change	Working towards biodiversity neutrality Supporting the transition to a circular economy	Ensuring high Health & Safety standards Enforcing fair labour conditions	Creating jobs locally Engaging local communities Respecting indigenous communities	Driving change in our supply chain	Having the necessary systems and safeguards in place
Our own operation	Reducing emissions from our own operations		Accelerating Diversity, Equity & Inclusion Ensuring employee engagement, development and well-being			Aligning our operations with our policies and ambitions
Solid regulatory foundation						

Mulilo, South Africa

Anchoring ESG across our activities

We seek to create positive impact and reduce potential adverse effects of activities on our stakeholders, communities and the planet, by:

- **Bridging capital markets and renewable** energy markets. CIP's funds create real impact and attractive returns by investing substantial amounts of capital into the green transition – elaborated in Chapter 1.
- Having a **robust strategic ESG framework** in place to underpin our ESG efforts and the operationalisation of our ESG focus areas. The framework ensures a structured ESG approach, consistent with our fiduciary duty. We use our active ownership approach to influence suppliers and **ensure CIP's ESG and Climate standards are implemented on investment-level** – framework elaborated in Chapter 2, investment-level implementation elaborated in Chapter 3.
- Integrating ESG into **our internal ways of working**, creating a diverse, inclusive and engaging workplace, limiting emissions from our own operations and employing responsible business practices – elaborated in Chapter 4

Our ESG commitments and credentials

SFDR and Dark Green Funds: CIP's funds established after the implementation of SFDR are currently considered Dark Green (Article 9), with the funds having, as their objective, investments in economic activities that contribute to climate change mitigation. This classification is enabled by CIP's frameworks and ESG standards, which often exceeds local standards and legislation.

GRESB: GRESB[1] is an organisation that administers a global ESG assessment for infrastructure funds, allowing for consistent, global reporting and benchmarking. CIP has reporting to GRESB since 2017, and in 2023 received a GRESB management score of 28 out of 30 across reported funds.

UN PRI: The UN PRI is an organisation committed to supporting a sustainable, global financial system. As a formal signatory since 2021, CIP seeks to adopt and implement the six principles, which support responsible investment. CIP received a score of four out of five stars across Policy Governance Strategy, Direct - Infrastructure and Confidence Building Measures in 2023.

UN Global Compact (UNGC): The UNGC is the world's largest corporate sustainability initiative. As a formal signatory since 2023, CIP supports the Ten Principles, which cover human rights, labour, environment and anti-corruption.

Sustainable Development Goals (UN SDGs): By investing in greenfield renewable energy infrastructure assets and by having ESG integrated into our investment process, we seek to contribute to several UN SDGs (further elaborated in Chapter 5).


Sage, USA

The Sustainable Finance Disclosure Regulation (SFDR)

SFDR is an EU regulatory framework that aims to increase transparency on sustainability risks and impacts. SFDR forms part of the EU's Green Deal, a growth strategy aimed at channelling investment towards 'sustainable' activities.

Under the SFDR, financial market participants are required to classify their investment funds as Article 6, 8 or 9 based on their contribution to these sustainable activities. The category with the highest degree of disclosure is Article 9 ('Dark Green Funds'), which have a sustainable investment objective.

1) For CI II, CI III, CI IV, CI GMF I and CI ETF I

02

CIP's ESG framework

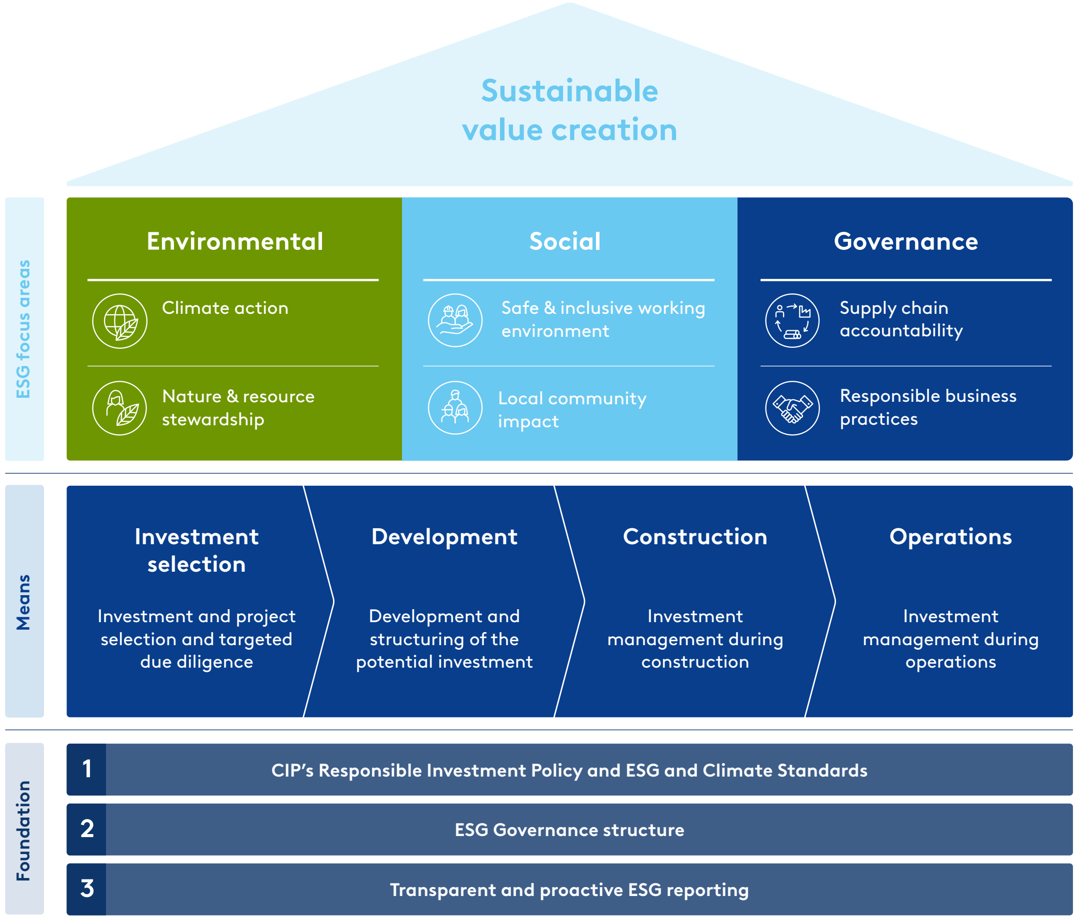
CIP's ESG framework defines our ESG credentials and commitments, how we integrate ESG in our investment process, how we govern ESG and how we enable execution across and within our funds' investments. It is designed with a focus on facilitating long-term sustainable value creation and ensuring that ESG is an integral part of the investment cycle.

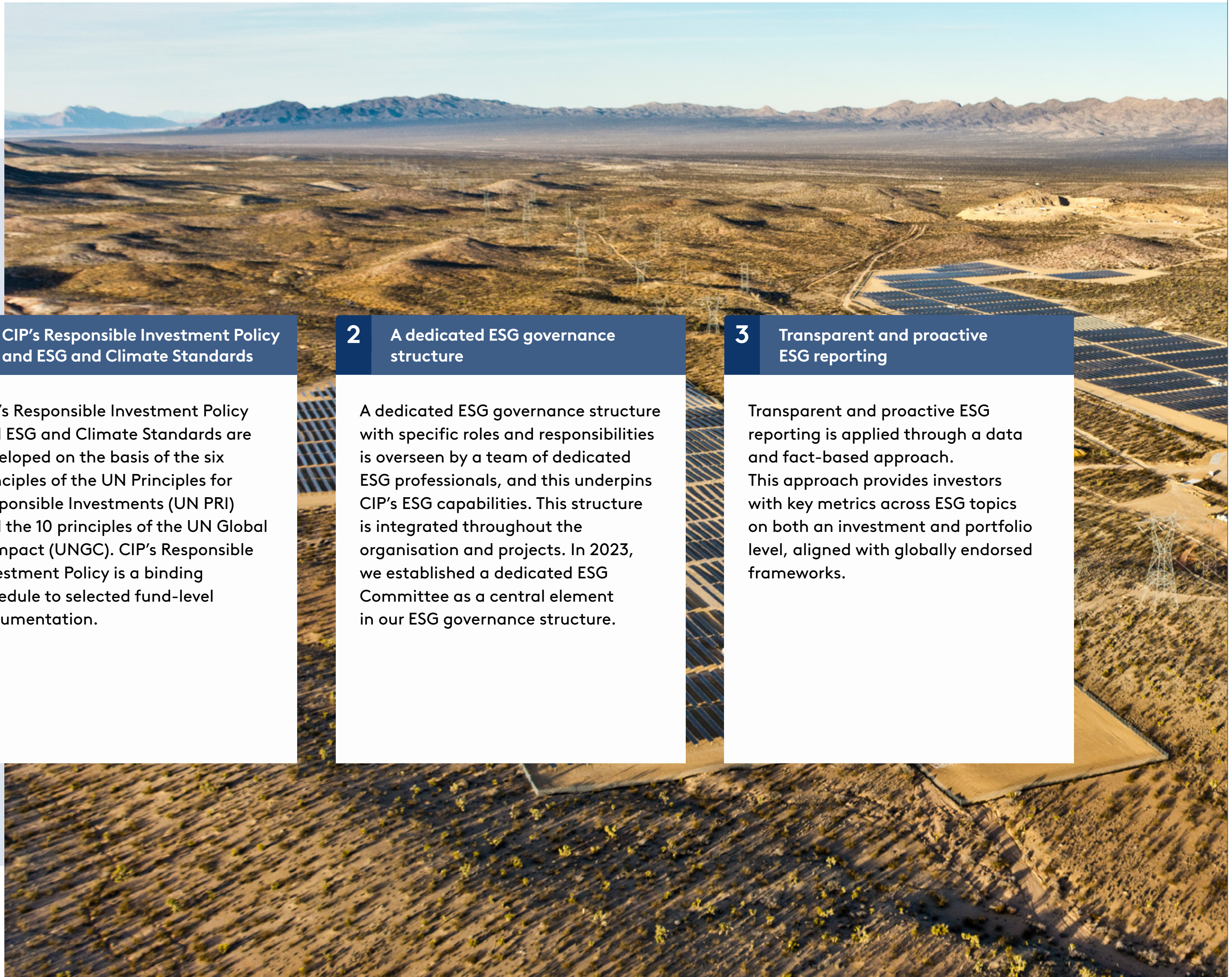
CONTENT

CIP's ESG framework

Sustainable value creation is the intended ESG outcome of CIP's funds and a result of harnessing CIP's belief in the strong and consistent link between ESG standards and long-term value creation, and downside protection. Sustainable value creation is secured through a robust framework for executing and integrating ESG topics across the investment process.

CIP's ESG impacts primarily occur through its fund investments. By proactively applying its ESG framework, CIP makes ESG an integral part of all key stages of the investment and asset management process. In 2023, our ESG framework continued to guide our activities, ensuring systems are in place to consider ESG topics across all investments and prior to making key investment decisions.





CIP's ESG framework builds on three elements

CIP's ESG philosophy is founded on the core belief that there is a strong and consistent link between high ESG standards and long-term value creation and protection. This aligns with the overall investment strategy, focusing on the current market opportunity and value creation potential in renewable energy infrastructure projects that help to enable a "green" economy. CIP's philosophy also means that ESG can and should be used as an operational enabler for value creation and protection.

1 CIP's Responsible Investment Policy and ESG and Climate Standards

CIP's Responsible Investment Policy and ESG and Climate Standards are developed on the basis of the six principles of the UN Principles for Responsible Investments (UN PRI) and the 10 principles of the UN Global Compact (UNGC). CIP's Responsible Investment Policy is a binding schedule to selected fund-level documentation.

2 A dedicated ESG governance structure

A dedicated ESG governance structure with specific roles and responsibilities is overseen by a team of dedicated ESG professionals, and this underpins CIP's ESG capabilities. This structure is integrated throughout the organisation and projects. In 2023, we established a dedicated ESG Committee as a central element in our ESG governance structure.

3 Transparent and proactive ESG reporting

Transparent and proactive ESG reporting is applied through a data and fact-based approach. This approach provides investors with key metrics across ESG topics on both an investment and portfolio level, aligned with globally endorsed frameworks.

ESG integrated in the investment process

ESG is integrated throughout CIP's investment and asset management process. As a greenfield investor, CIP is well positioned to set the ESG agenda and directly implement its associated standards at the fund and investment levels, to create and protect value.

The ESG topics identified as most material to each respective fund form the core engagement areas throughout the investment process. Such topics comprise, for example, environmental impacts, environmental compliance, health and safety, labour standards and fair employment practices, community relations (including local business and labour use), anti-bribery and anti-corruption, and active and responsible ownership. All topics are evaluated and actioned on from the early stages of an investment.

Importantly, CIP's process ensures documentation of compliance with sustainability regulations, which is highly relevant given the increasing ambition on this topic shown by many governments and corporates. In addition, there is increasing regulatory and industry attention to counter greenwashing, which is shown through various allegations against certain financial market participants. In addition to the compliance aspect, comprehensive and high quality documentation may increase the value for acquirers of projects and can result in more efficient debt financing processes.

While the majority of our current funds invest equity or equity equivalent capital projects, our Green Credit Fund I (CI GCF I) differs by providing debt financing for projects, for example by providing project construction through credit. Financing ensures availability of capital for viable projects. CI GCF I is classified as an Article 9 ("Dark Green") fund, under the EU Sustainable Finance Disclosure Regulation (SFDR). CIP integrates ESG throughout the credit process with the aim of ensuring value creation by de-risking each investment.

The figure to the right illustrates CIP's typical investment process for an equity fund and credit fund strategy.

KEY PROCESSES AND TASKS TO INTEGRATE ESG ACROSS THE EQUITY AND CREDIT PROCESSES[1]

Equity processes

Investment selection	Development	Construction	Operations
Initial screening using criteria in fund documents and Responsible Investment Policy	Further due diligence on relevant E, S and G topics Active leadership of activities where CIP develops	Oversight through an owner's representative	Optimising operational performance, incl. ESG risk
Targeted due diligence on relevant ESG topics	Selecting contractors, setting standards and negotiating governance rights, incl. decarbonisation of value chain and land aggregation	Monthly reporting from projects, including ESG KPIs and financed assets' value chain emissions Engagement with contractors if material ESG incidents are detected, and escalated when necessary	
	Investment Committee final approval + final documents	Monitoring through CIP Investment Management	
Fund management supporting practices, e.g. best practice tax due diligence and structuring, financial reporting according to IFRS and IPEV standards, anti-money laundering and know-your-customer (KYC) check on potential investment partners			

Credit processes

Origination of investment opportunities and pre-screening and preliminary approval	Due diligence, structuring and documentation	Ongoing monitoring of the borrowers' performance
Origination of investment opportunities through the market and CIP contacts	Due diligence, assessment of the risks and structuring of the potential investment	Review borrower reporting on ESG performance and determine compliance
Initial assessment of the investment incl. key ESG risks	Preliminary approval and Final Investment Decision	Initiate dialogue with borrower in case of ESG issues, increased risk or non-compliance
Pre-screening decision incl. specification on key ESG due diligence	Loan documentation incl. undertakings and information requirements on ESG risks	Regular reporting to Investment Committee

1) The investment process may vary across individual projects dependent on certain factors such as position in the capital structure, geography, local legal requirements, etc.

ESG governance structure

To support our ability to deliver sustainable value creation, we have a defined ESG governance structure with specific roles and responsibilities across CIP for implementation of ESG throughout the investment process.

During 2023, we established a dedicated ESG Committee, consisting of senior CIP employees including a member from CIP's Board of Directors, the CFO, the General Counsel and partners representing multiple fund strategies, to align on and strengthen the strategic direction and ambition level for ESG within CIP and CIP managed funds. The ESG Committee has a mandate to set the strategic direction within ESG and is ultimately responsible for ensuring alignment between the strategic ESG direction and CIP's Responsible Investment Policy.

The ESG Function continues to be the central element of ESG at CIP. The ESG Function defines CIP and CIP-managed funds' ESG principles and standards based on guiding international norms, prepares consolidated monitoring and reporting throughout the respective projects' lifetime, advises CIP's Investment Team on ESG matters and supports the assessment of potential material ESG risks and opportunities of CIP's investments. In addition, dedicated ESG experts in Copenhagen Infrastructure Service Company (CISC) engage with investment and investment management teams and projects. The ESG Function co-develops and evaluates mitigating actions and plans within ESG. In 2023, CIP's ESG Function grew significantly, in order to support CIP's sustainable value creation.

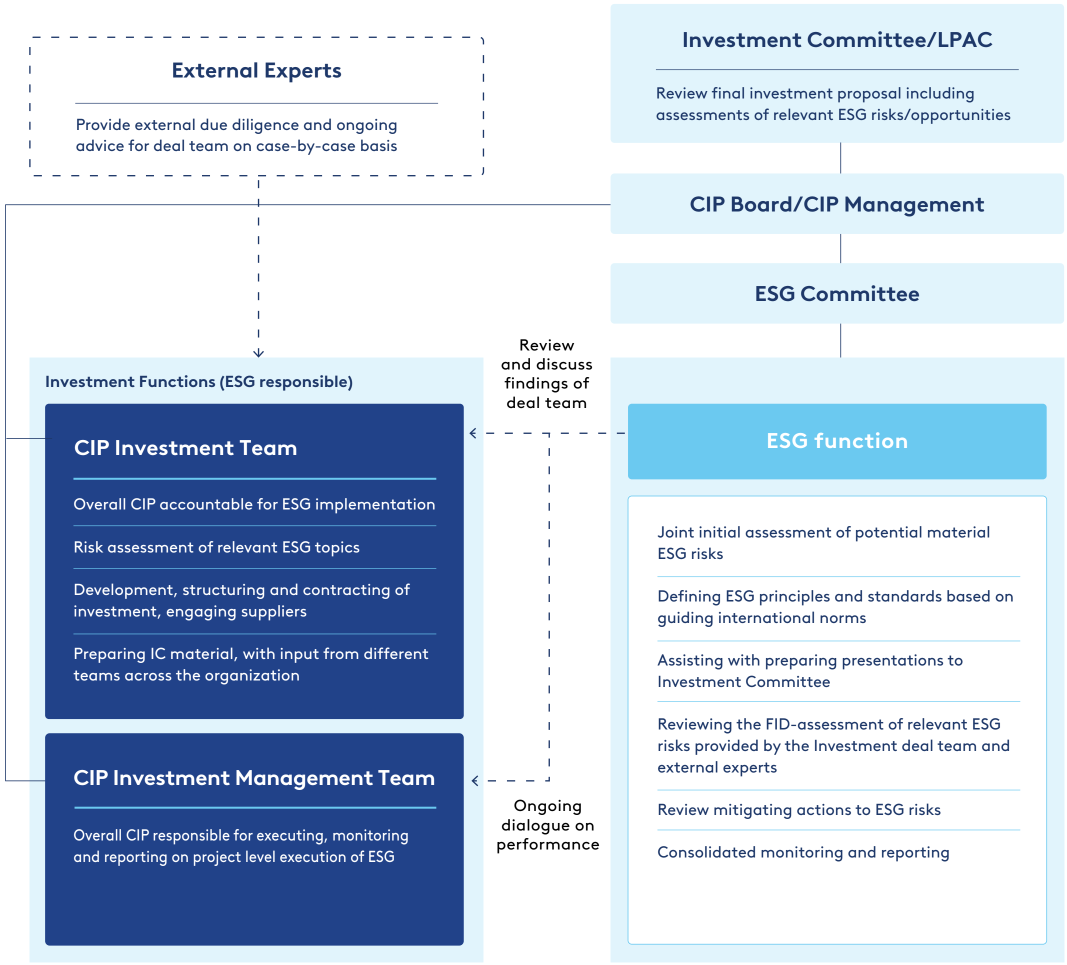
Several other fund management-level processes also form part of CIP's ESG governance. CIP's Finance Function ensures financial reporting according to IFRS and IPEV standards; the Tax Function ensures that best tax structuring practice is followed in connection with fund investments according to CIP's Tax Policy; and the Legal Function arranges anti-money laundering and Know-Your-Customer checks on investors. For a description of CIP's approach to taxes, please refer to Chapter 3.

CIP Investment and Investment Management teams are responsible for ESG implementation within the investments in the specific project phases.

The Investment Management team furthermore has the general responsibility for monitoring and reporting on project-level execution of ESG. On a case-by-case basis, external experts are used as review sources. The ESG function also works closely with the Investment and Investment Management teams to implement and ensure ongoing compliance by defining and executing processes, procedures and regular touchpoints.

The ESG governance model, including the organisational split of and distribution of roles and responsibilities within CIP, is summarised in the figure to the right.

OVERVIEW OF ESG GOVERNANCE BODIES



03

ESG at investment-level

To address the ESG topics most material to CIP's funds, our investment-level ESG efforts focus on six strategic focus areas. These span across environment, social and governance topics.

By focusing on these six areas, we seek to ensure that CIP's funds promote positive impact and reduce potential adverse effects of activities on investors and other stakeholders, and the planet. Focus areas are operationalised through CIP's active ownership approach and ESG framework (**Chapter 2**).

STRATEGIC ESG FOCUS AREAS

Environment

Social

Governance

Climate action

CIP's main business objective is to invest in market opportunities connected to the build-out of renewable energy infrastructure projects and the transition to net zero emissions. To maximise our positive contributions and minimise adverse impacts, our climate efforts focus on three areas:

- Driving the renewable energy transition
- Addressing financed supply chain emissions (emissions related to equipment used within projects are called financed emissions)
- Ensuring resilience to climate change

Driving the renewable energy transition

CIP will reach its ambition through the implementation of exisiting and new distinct fund strategies which unlock large, systematic changes in the global energy system.

CIP's Flagship Funds (CI I-V), Growth Markets Funds (CI GMF I-II), Artemis Funds (CI Artemis I-II), Regulated Energy Grids Fund (CI REG) and Green Credit Fund (CI GCF I) invest in large-scale, greenfield renewable energy projects and associated infrastructure which increase or support the overall stock of renewable energy in the global electricity grid. As such, these projects drive renewable energy "additionality". CIP's Energy Transition Fund (CI ETF I) and Advanced Bioenergy Fund (CI ABF I) invest in renewable energy infrastructure which support the decarbonisation of 'hard-to-abate' sectors.

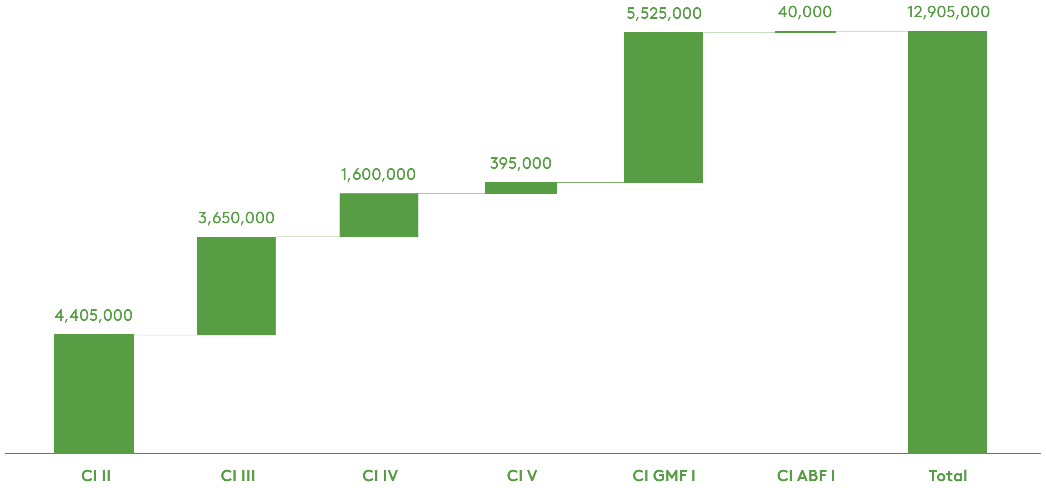
CI ABF I invests in bioenergy, producing advanced biofuels and biogas using sustainable feedstock such as waste wood, agricultural biowaste, household and industrial biowaste. CI ETF I invests in next generation renewable energy infrastructure such as industrial scale Power-to-X projects, carbon capture and utilisation/storage.

Our work in 2023: By the end of 2023, CIP-managed funds have enabled the build-out of 11.7 GW of renewable energy, corresponding to an estimated 13.0 million metric tonnes of GHG emissions avoided annually once fully operational. In 2023 alone, we reached Final Investment Decision on 6 assets.

Focus ahead: We remain committed to bridging capital markets and the real world delivery of renewable energy projects by enabling the deployment of capital into the energy transition. In 2024, this includes activities such as fundraising for our second Growth Markets Fund (CI GMF II). The fund focuses on high-growth, middle-income countries, and based on the existing portfolio of development projects, has the potential to reduce emissions by more than 10 million metric tonnes annually while delivering attractive returns to investors.

Expected avoided emissions per fund as per 2023 (metric tonnes GHG emissions)

To represent the funds' full contribution, the estimates include all assets that have reached Final Investment Decision, including assets not yet operational. CI IV, CI V, CI GMF I and CI ABF I are earlier in the fund lifecycle than remaining funds, and expected avoided emissions are projected to increase for these funds as they become fully committed.



Figures represent total project figures. Reporting practices are presented in **Chapter 5**. CI I was fully divested prior to the reporting period. Total project figure for CI II and CI III include the full impact of Changfang Xidao & Vineyard Wind 1 and, as a result, the total figure does not add up to the sum of the individual reported fund values.. CI Artemis I and CI Artemis II are excluded as avoided emissions metric is not relevant for transmission assets. CI ETF I is exluded as avoided emissions metric is not relevant, as its only investment at end 2023 is in an eletroclyser producer.

This table is subject to assurance only. Reference is made to the Independent Auditor's Assurance Report on **page 71**.

Sean Toland
Associate Partner at CIP

CASE | CI V

Largest onshore wind project in Illinois

Governments and private actors around the world have set clear emission reduction ambitions, and many have pledged to reach net zero emissions in the coming decades. Transforming ambitions into action demands build-out of new renewable energy capacity.

Illinois, for instance, passed the Climate and Equitable Jobs Act in 2021, and hereby pledged to phase out carbon emissions from the energy and transportation sectors. As part of this, the state has set a target to reach 40 percent renewable energy by 2030, 50 percent by 2040 and 100 percent by 2050. With renewables accounting for less than 15 percent of Illinois in-state electricity generation (in 2022), significant renewable energy build-out is required in the coming years[1].

A key enabler to reaching Illinois' target is the Panther Grove Onshore Wind Farm. In 2023, CI V took Final Investment Decision on Panther Grove I, the first of a two-phase ~850 MW onshore wind project located in Woodford County, Illinois.

Once both phases are fully operational, Panther Grove is expected to produce ~3,100 GWh annually, corresponding to 2-3 percent of current electricity demand in the whole state being generated by the project.

"Due to the relatively limited renewables penetration in Illinois, the Climate and Equitable Jobs Act creates intrinsic value for renewable projects," says Sean Toland, Associate Partner at CIP. "And given the size of Panther Grove – the largest onshore wind project in Illinois and one of the largest onshore wind projects in North America – the project is expected to play a significant role in helping Illinois meet its climate change goals."

Building a local supply chain

As renewables are ramping up across the U.S., there is an increasing focus on creating domestic jobs and establishing a domestic supply chain at a price competitive with thermal power.

Panther Grove is expected to create 300+ local FTE years during construction across the two phases, in addition to creating ~35 full-time jobs during operations and yielding significant local benefits to the community. Furthermore, Panther Grove is a catalyst for expanding U.S. supply chain manufacturing capacity.

"Historically, a lot of the components used to construct onshore wind farms in the U.S. have been imported from markets with established supply chains outside of the U.S., especially in Europe and Asia," says Toland.

"However, Panther Grove is leading the way to establish and utilise a domestic supply chain. The magnitude of the project has helped enable one of our key suppliers to establish a manufacturing facility in the U.S.," Toland continues. "This will further help in creating local jobs and expanding the build-out of renewable energy in the U.S."

1) U.S. Energy Information Administration, 2023

Panther Grove Onshore Wind
United States

PROJECT CHARACTERISTICS

Exp. commercial operation date (phase I + II)
2026

Capacity
~850MW

CLIMATE-RELATED METRICS

Exp. avoided GHG emissions annually (phase I + II)
395,000mt

Exp. equivalent households to be powered
125,000

Addressing financed supply chain emissions

In CIP's view, the topic of impact on emissions goes beyond the potential avoided GHG emissions associated with CIP's funds' investments.

Through CIP's projects, we are able to generate green energy worldwide, thereby, contributing to the energy transition by increasing emissions avoided. Throughout a project's lifetime, CIP also works to address and reduce its footprint as much as possible, for example through optimising and utilising more environmentally friendly approaches, where feasible.

Emissions are linked to the build-out of infrastructure projects – whether renewable or not. Emission-driving activities include manufacturing, installation and transportation of renewable energy assets and underlying components. These activities are inevitable as we accelerate renewable energy build-out.

As a responsible investor, we are committed to estimating, monitoring and seeking to reduce CIP's funds' financed emissions, most of which are found in the supply chain of its investments. Emission estimates across selected assets' lifecycle emissions from the production of materials reveal that steel and concrete account for 50-90 percent of lifecycle emissions, depending on the technology.

Our work in 2023: Decarbonising the supply chains of CIP's funds' investments relies on decarbonisation efforts of suppliers – and, in turn, decarbonisation efforts of their suppliers. As such, cross-value chain collaboration is central to success.

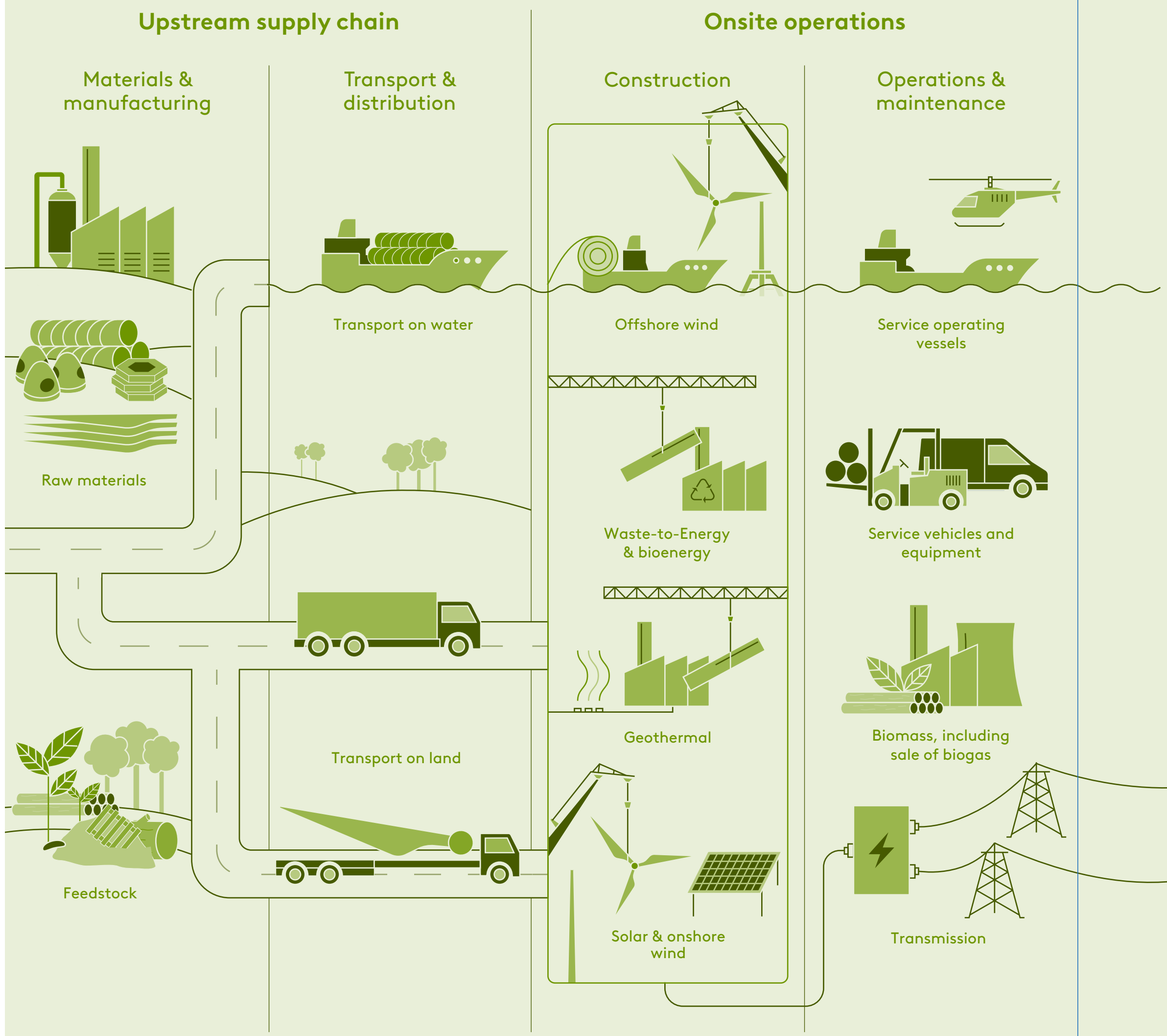
In 2023, we engaged a selection of strategic contractors, suppliers and potential partners to explore options to secure access to lower emission components and services, such as service operating vessels and low-emission steel.

We have also integrated decarbonisation into our supplier standards. The actions we request from key contractors and suppliers are two-fold and include:

1) Reporting emission estimates for key components and services delivered, enabling CIP to measure and monitor financed supply chain emissions
2) Implementing relevant decarbonisation levers, such as transport and energy sources in production as available in the market, where commercially and technically feasible.

Focus ahead: To ensure decarbonisation efforts are considered and implemented across the full portfolio, we are on a journey to integrate them into CIP's Project Delivery Model – a set of processes, tools and templates used by project teams to ensure a consistent application of best practices.

Investment level activities driving 2023 emissions



An illustration of some of CIP's activities

Ensuring resilience to climate change

Severe wildfires, droughts, floods, rising waters and storms around the world demonstrate that climate change is very present in today's world. Climate-related risks that can affect CIP's funds' portfolios include:

- Physical risks, including event-driven risks, such as the increased severity of extreme weather events (cyclones, hurricanes, floods, etc.), and longer-term shifts in climate patterns, such as sustained higher temperatures that may cause sea level rise or chronic heat waves
- Transition risks, including changes in markets, such as fluctuations in energy prices, and changes in regulatory regimes, such as incentive schemes and other regulatory mechanisms

Resilience to these risks is imperative to ensure the safe construction and operations of assets and energy security. As such, adapting to evolving climate-related risks is a key priority for CIP.

Our approach to assessing and managing climate-related risks is guided by the Task Force on Climate-related Financial Disclosures (TCFD) (now incorporated into the ISSB's standards). CIP's reporting on climate-related risks is mapped on page 61, Chapter 5.

Our work in 2023: We have strengthened our focus on and modelling of long-term climate-related risks, to ensure they inform decision-making and long-term planning.

Building on the assessments conducted on projects prior to Final Investment Decision, we now use an external climate risk provider during risk identification and assessment, to systematically analyse present and future (in 2030, 2050 and 2080 respectively) likelihood of, and exposure to, various chronic and acute climate perils, such as cyclones, hurricanes, and floods.

These assessments are based on forward-looking climate-related data, including science-based data used for the Intergovernmental Panel on Climate Change's (IPCC) sixth Assessment Report.

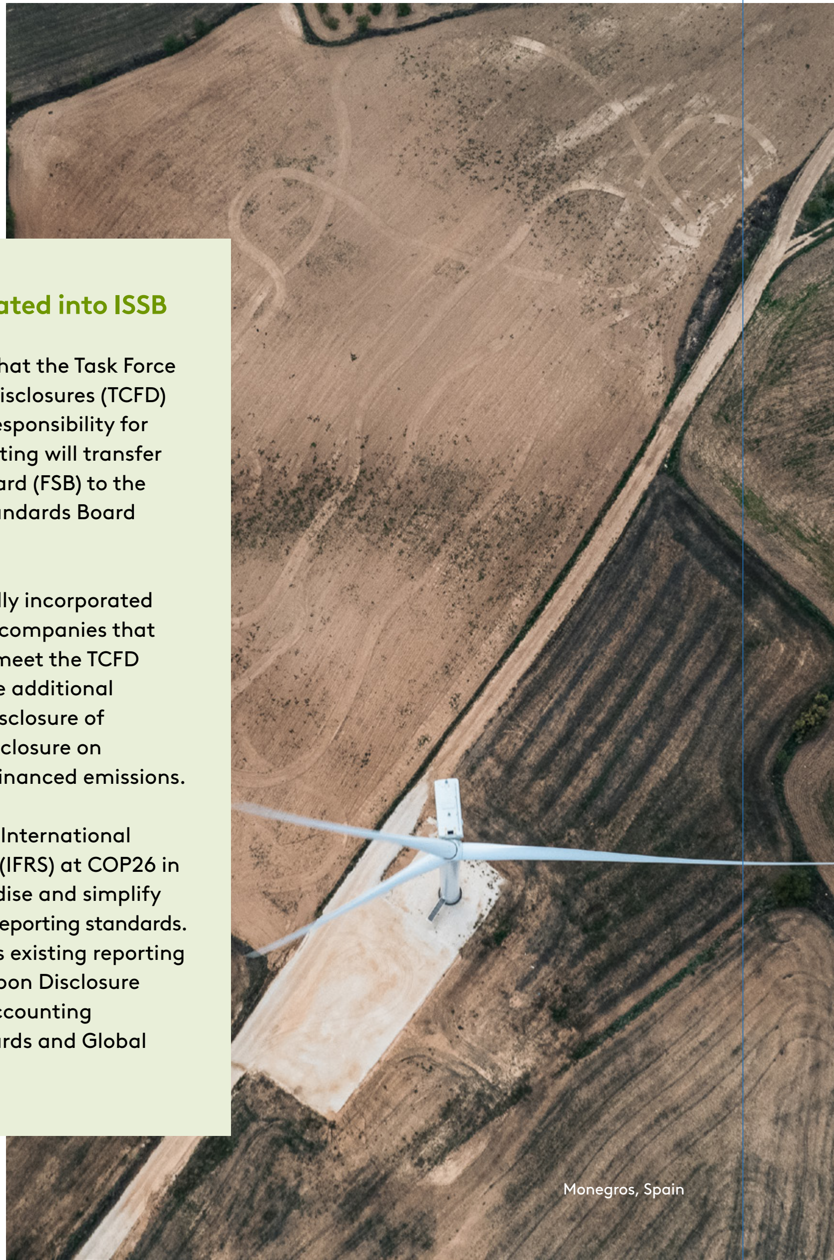
Focus ahead: Our ambition is to align our disclosure on climate-related risks with the ISSB.

TCFD disbanded - integrated into ISSB

At COP 28, it was announced that the Task Force on Climate-related Financial Disclosures (TCFD) was disbanded, and that the responsibility for climate-related financial reporting will transfer from the Financial Stability Board (FSB) to the International Sustainability Standards Board (ISSB).

TCFD recommendations are fully incorporated into ISSB's standards. As such, companies that apply the ISSB Standards also meet the TCFD recommendations. Some of the additional requirements in ISSB include disclosure of industry-based metrics and disclosure on additional information about financed emissions.

Briefly on ISSB: Formed by the International Financial Reporting Standards (IFRS) at COP26 in Glasgow, ISSB aims to standardise and simplify sustainability-related financial reporting standards. ISSB builds on and consolidates existing reporting frameworks such as TCFD, Carbon Disclosure Project (CDP), Sustainability Accounting Standards Board (SASB) standards and Global Reporting Initiative (GRI).



Monegros, Spain

Nature & resource stewardship

At CIP we focus on responsible use and protection of the natural environment. Currently, we work with nature and resource stewardship across two key areas: **biodiversity** and **circularity**.

The call for action

The decline of global biodiversity has been widely identified as one of the most pressing challenges to humanity. Nature and biodiversity are essential to ecosystems, human health, food production and the economy. Yet, we find ourselves in the midst of a crisis. One million[1] of the world's estimated 8 million species of plants and animals are threatened by extinction. The degradation of ecosystems is impacting the well-being of 40 percent of the global population[2]. Further, according to the IPCC, nearly 100 percent of marine animal and herbal species will be threatened in selected locations if global warming exceeds 2°C.

Working towards biodiversity neutrality

CIP acknowledges the environmental impact that renewable energy projects can have on the immediate environment around a project, as well as in the supply chain. Therefore, it is essential to minimise both short- and long-term adverse impacts on biodiversity to secure a successful global energy transition.

Biodiversity is already an integral part of CIP's project development throughout the investment process. This is in particular evident throughout the due diligence phase, where CIP, together with business partners and local stakeholders, assess the potential environmental impact of a project.

Our work in 2023: One of the many bioversity activities in 2023 was, for example, on Jeonnam I. Jeonnam I is a South Korean offshore wind project under construction, where CIP conducted a variety of environmental monitoring surveys including animal counts for birds, fish, and bats. These studies are a part of the environmental monitoring programme which continues during construction and operation of the wind farm. The objective of the monitoring programme is to confirm the predictions included in the environmental impact assessment.

Another example of our project-level biodiversity efforts can be seen on Changfang and Xidao (CFXD). As part of the development, a plan for biodiversity action was formulated to facilitate compliance with the International Finance Corporation (IFC) performance standards, with the overall goal to conserve and enhance biological diversity within the project area and to contribute to the conservation of global diversity. A number of actions have been identified herein which are applicable to construction and/or operational phases in relation to marine mammals, elasmobranchs (fish) and blackfaced spoon bills (birds). Examples include:

- Raise awareness of marine mammal conservation status by development of a marine mammal code of conduct
- Develop and implement a feasible elasmobranch monitoring programme
- Research funding in black-faced spoonbill disease identification and control

CIP is proactively engaged in biodiversity initiatives together with different stakeholders. As an example, we are members of the Ocean Institute (also known as 'Tænketanken Hav'), an independent knowledge-based think tank dedicated to promoting a clean and healthy ocean. Our collaborative efforts have primarily focused on biodiversity in the context of offshore wind initiatives.

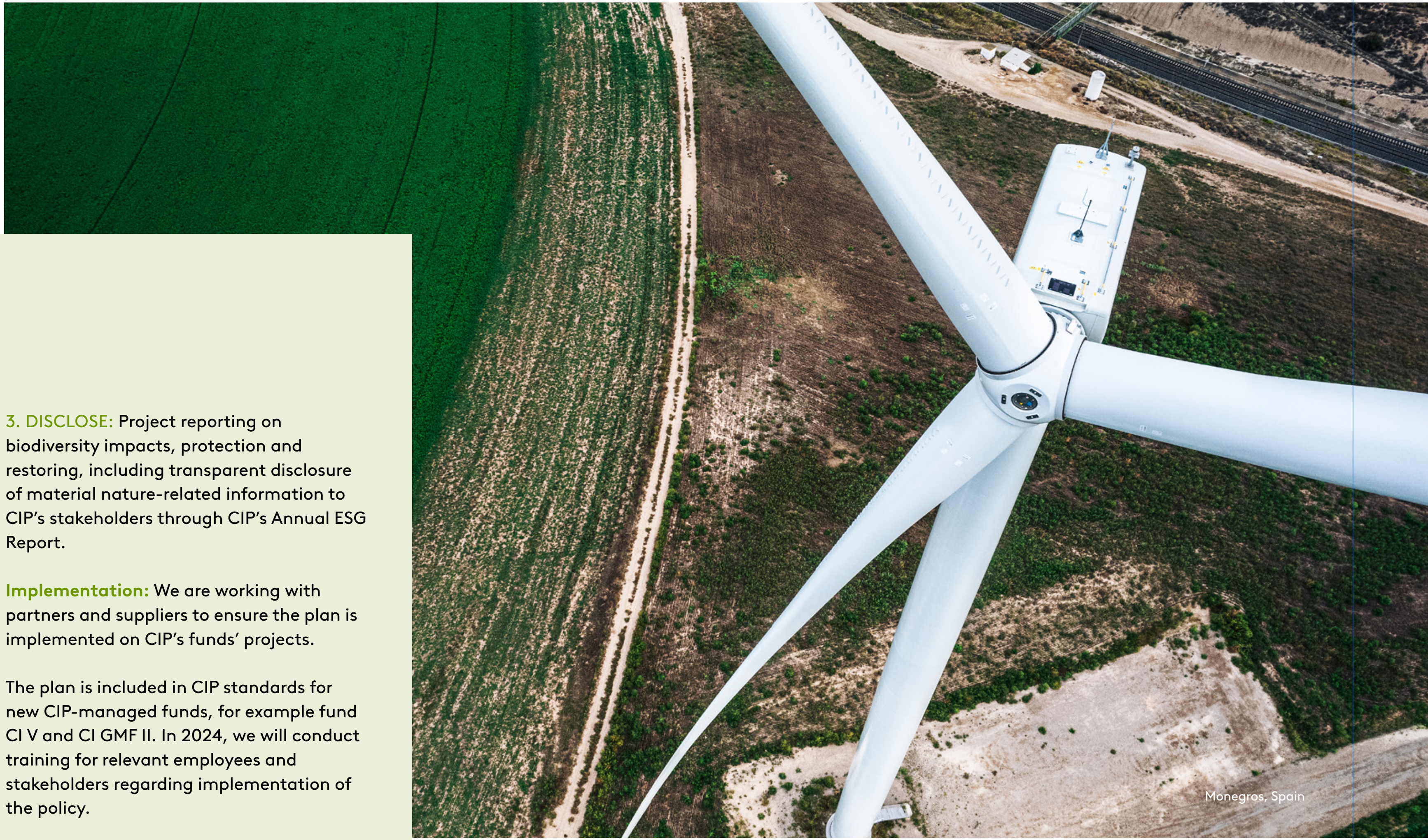
During 2023, CIP also developed a CIP-wide Biodiversity Action Plan, that seeks to ensure biodiversity neutrality across future funds' investments. The implementation of this plan is ongoing across the organisation.

Focus ahead: Going forward, we are actively following industry efforts to develop a standardised approach for how to measure biodiversity impact. We see this as essential for shaping our long-term biodiversity strategy. We recognise the importance of having fundamental structures in place and are awaiting the development of a widely accepted standardised approach for biodiversity baselining. As the industry converges on this topic, we seek to join industry dialogues with our business partners to collectively navigate the evolving biodiversity landscape.

Agreement on Nature Restoration Law

In July 2023, the European Parliament adopted a new law on nature restoration[3]. The new law sets a target for the EU to restore at least 20 percent of the EU's land and sea areas by 2030 and all ecosystems in need of restoration by 2050. It sets specific, legally binding targets and obligations for nature restoration in each of the listed ecosystems — from agricultural land and forests to marine, freshwater and urban ecosystems. To reach these targets, EU countries must restore at least 30 percent of habitat areas in poor condition by 2030, 60 percent by 2040 and 90 percent by 2050.

1) Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services, Nature's Dangerous Decline 'Unprecedented'; 2019
2) Becoming #GenerationRestoration: Ecosystem Restoration for People, Nature and Climate, UN Environmental Programme, 2021
3) EU Nature restoration law: MEPs strike deal to restore 20% of EU's land and sea, European Parliament, 2023


Monegros, Spain

Biodiversity Action Plan

Objective: CIP's Biodiversity Action Plan seeks to ensure biodiversity neutrality across CIP's funds' future investments.

Key principles and commitments: The Biodiversity Action Plan builds on existing project-level practices and formalises our three guiding principles for addressing biodiversity in CIP's funds' investments. These are currently:

1. ASSESS: Following a biodiversity screening, an Environmental Impact Assessment (EIA) is carried out to understand expected environmental impacts, with a specific focus on impacts in biodiversity sensitive areas.

2. ACT: Relevant avoidance, reduction and compensation measures for protecting and/or restoring biodiversity are implemented.

3. DISCLOSE: Project reporting on biodiversity impacts, protection and restoring, including transparent disclosure of material nature-related information to CIP's stakeholders through CIP's Annual ESG Report.

Implementation: We are working with partners and suppliers to ensure the plan is implemented on CIP's funds' projects.

The plan is included in CIP standards for new CIP-managed funds, for example fund CI V and CI GMF II. In 2024, we will conduct training for relevant employees and stakeholders regarding implementation of the policy.

Tim Evans
Partner at CIP

Elizabeth Marsjanik
Manager of Environmental Affairs at Vineyard Wind

CASE | CI II AND CI III

Embedding biodiversity conservation

Vineyard Wind 1 (VW1), situated in Massachusetts, is a groundbreaking offshore wind project with a commitment to generate 806 MW of renewable electricity once fully commissioned in 2024. It is the first commercial-scale offshore wind farm in the United States.

In addition to creating thousands of local full-time equivalent jobs over the life of the project, VW1 will generate affordable, renewable energy for over 400,000 homes while reducing greenhouse gas emissions by over 1.6 million metric tonnes per year. This is equivalent to taking 325,000 conventional cars off the road annually. Through planning and collaboration, VW1 seeks to further strengthen responsible energy development with respect to biodiversity conservation.

VW1 is committed to ensuring the protection of marine habitats and minimising any impacts to the local fishermen. Federal and state agencies have extensively studied the Vineyard Wind area since 2011, with meticulous analysis of protected whale, turtle and bat species, as well as fisheries and vital sea floor habitats, all of which played a pivotal role in shaping the project design of VW1.

"Through stringent protective measures, investment in biodiversity research, and the application of leading monitoring technologies, the project sets a benchmark for responsible offshore wind development," says Tim Evans, Partner at CIP. "Our commitment ensures the successful co-existence of both new renewable energy and the preservation of precious marine ecosystems for future generations."

Preserving the North Atlantic right whales

Today, VW1 demonstrates a harmonious blend of renewable energy and biodiversity conservation, particularly for the protected North Atlantic right whale. As part of the preservation efforts, VW1 has already implemented vessel speed restrictions, work-stop measures and noise limitations all aimed at protecting marine mammals during the development of renewable energy.

Vineyard Wind 1 supports regional science experts to advance the understanding of the potential impacts offshore wind development may have on the environment. Elizabeth Marsjanik, Senior Manager of Environmental Affairs at Vineyard Wind, serves on advisory boards for Project WOW (Wildlife and Offshore Wind) and the Wind Forecast Improvement Project (WFIP3) and provides industry guidance to The Bureau of Ocean Energy Management's Real-time Opportunity for Development of Environmental Observations (RODEO) II.

"As an industry leader, we collaborate with principal investigators to ensure third-party science can be conducted safely around our operations," says Marsjanik.

During the 2023 installation campaign, VW1 supported Project WOW in safely and successfully tracking and tagging more than 10 individual fin whales near the VW1 lease area. Results from this study will provide insight into cetacean behavior during pile driving operations in the Northwest Atlantic. In 2023, VW1 also established the first acoustic-monitored vessel transit corridor in support of the offshore wind industry, permitting crew transfer vessels to transit at speeds above 10 knots if right whales are not detected. This aligns with government regulations for the industry, requiring acoustic and visual detection of right whales. The technology is groundbreaking and sets the standard for enhanced acoustic detection capabilities with 32-hydrophone array capable of detecting whale noise from long distances through a technology called beamforming, advancing whale protection.

VW1 is also dedicated to reducing underwater noise produced by the offshore wind construction.

Vineyard Wind 1
United States

PROJECT CHARACTERISTICS

Exp. commercial operation date
2024

Capacity
800MW

BIODIVERSITY-RELATED METRICS

Investment in Marine Mammal Protection
USD 3mn

Projected Benthic Habitat Impact
Limited disruption to sensitive habitats

CASE CONTINUED

As part of a sound field verification campaign, VW1 optimised its noise attenuation system. The installation of a single bubble curtain and hydrosound damper to mitigate noise from piling, led to the discovery that employing double bubble curtains could improve noise reduction efforts.

The hydrosound damper is a net containing noise reducing material (e.g. rubber or foam spheres) that wraps around the entire length of the monopile underwater. The double bubble curtain creates a sound reducing barrier by means of a large hose placed in a circle on the seafloor around the monopile, from which compressed air escapes through perforations. This combination of measures allowed VW1 to meet the 6-decibel noise reduction goal set by the federal government.

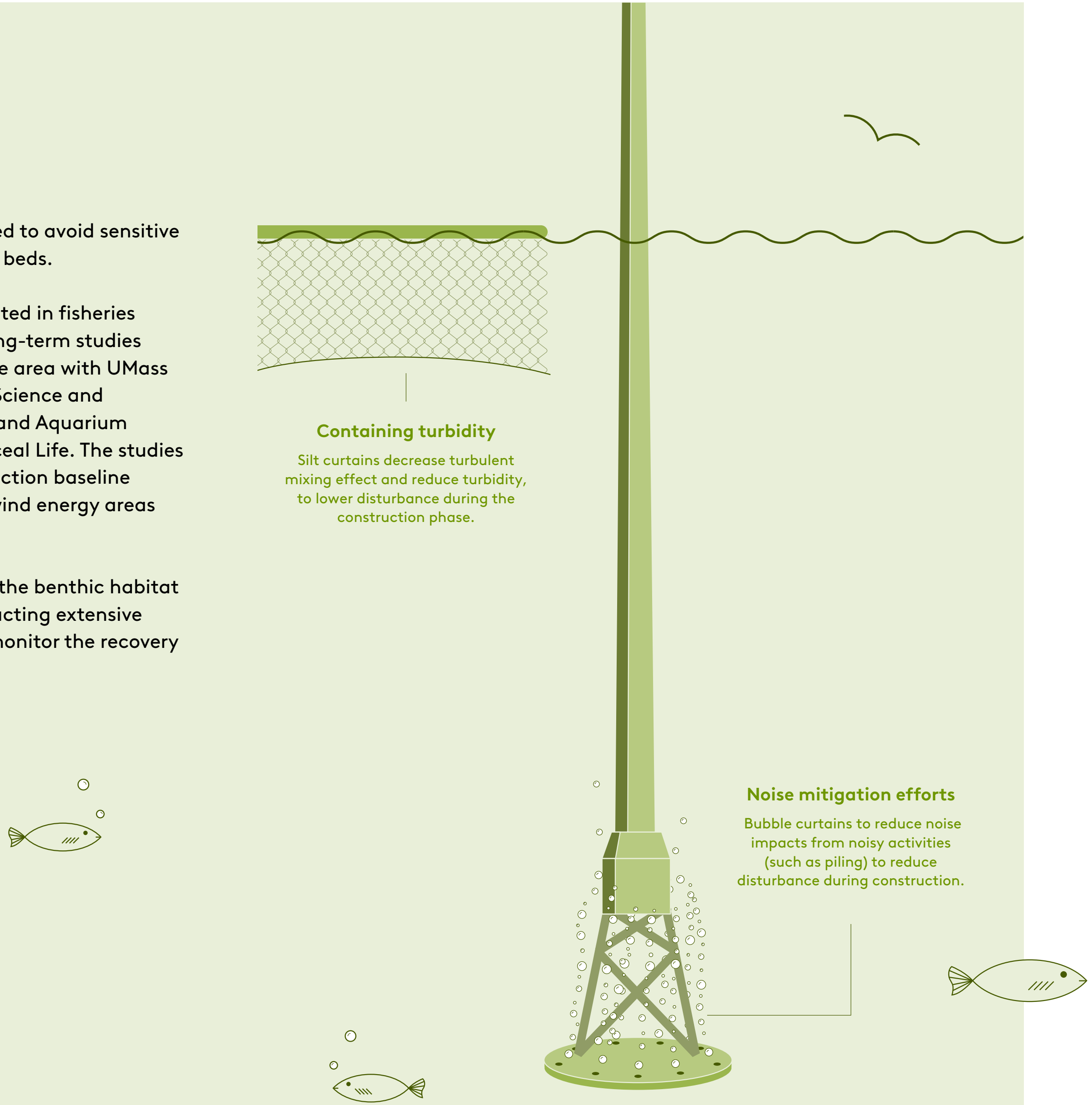
"The use of a double bubble curtain and hydrosound damper is the first of its kind in the United States," says Marsjanik.

Other biodiversity measures

Beyond the focus on right whales, VW1 is actively engaged in addressing other biodiversity concerns. As part of benthic habitat preservation efforts, geophysical and geotechnical surveys have been conducted over several years. The purpose is to map out the least impact corridor in which to install subsea cables up to 6 feet beneath the seafloor. The cable corridor for VW1's two subsea cables was selected to avoid sensitive benthic habitats and eelgrass beds.

In addition, VW1 has participated in fisheries research and implemented long-term studies of species within the VW1 lease area with UMass Dartmouth School of Marine Science and technology and the New England Aquarium Anderson Cabot Center for Oceal Life. The studies include gathering pre-construction baseline data to evaluate changes in wind energy areas over time.

For the fisheries research and the benthic habitat monitoring, VW1 will be conducting extensive post construction studies to monitor the recovery of those environments.



Supporting the transition to a circular economy

Nearly a quarter of all global GHG emissions result from the production, utilisation and eventual disposal of industrial materials[1]. To reach net zero emissions, addressing the materials transition is imperative[2]. The implementation of circular practices can reduce adverse impacts on biodiversity and ecosystems, dependency on raw materials and support the development of a more sustainable and resilient supply chain.

At CIP, we continue to support the transition to a circular economy by recognising the importance of minimising waste and getting the most out of project materials to reduce environmental impact. Our primary circularity impact is through the funds' investment strategies, for example in CI ABF I where Tønder Biogas turns organic waste into biofuels. Our secondary impact is through enhanced reuse and recycling of materials used in energy infrastructure components, for example recyclability of wind turbines and replaced solar panels.

Our work in 2023: Aligned with industry evolution, at the project-level we are exploring options to ensure that components used in CIP's funds' projects are of high durability and recyclability.

An example is in the wind energy sector, where we seek to promote the use of components that can be dismantled and refurbished, in line with good industry practice. We remain committed to continual improvement and collaboration with industry partners to drive positive environmental outcomes throughout the lifecycle of wind turbine components.

At fund level, in October 2023, CIP reached final close on our first Advanced Bioenergy Fund, CI ABF I. This focuses on equity investments in advanced bioenergy infrastructure in Europe and North America to decarbonise hard to abate sectors through the production of advanced biofuels and biogas. The funds' investments will align with the EU SFDR regulation Article 9, which means the fund has sustainable investment as the objective. Energy will be produced using sustainable feedstock such as waste wood, agricultural biowaste, and household and industrial biowaste.

Focus ahead: Going forward, we intend to formulate CIP-wide circularity standards, including decommissioning of CIP's funds' projects. We are committed to using our industrial and financial expertise to explore industry initiatives and technological developments that support circularity opportunities.


Tønder Biogas, Denmark

1) The circular economy and net-zero | McKinsey
2) The "materials transition" aims at evolving the current materials landscape by enhancing materials-induced efficiency, reducing emission-intensive materials through material substitution, and expanding upon direct and indirect material reuse and circularity (source: World Economic Forum, 2022)

Ole Fich
Associate Partner at CIP

CASE | CI ABF

The potential in biogas produced from organic waste

Renewable natural gas is playing an increasingly large role in the green transition, as well as in Europe's drive to replace supplies of Russian natural gas, for example.

In February 2023, CI ABF I reached Final Investment Decision on its first investment, Tønder Biogas, located in southern Denmark. The production site uses sustainable feedstock as input to produce biomethane. The feedstock consists mainly of agricultural waste like animal manure, deep litter and organic industrial waste such as potato residues.

While the plant is already operating and producing gas to the grid, it is expected to reach full capacity by 2025 – increasing capacity from around 125,000 tonnes of raw material to 900,000 tonnes. By 2025, the plant is expected to produce 40 million normal cubic meters of renewable natural gas, equivalent to the gas supply for approximately 30,000 households. In addition, 48,000 tonnes of biogenic CO_2 is expected to be captured and liquified to be used by a nearby Power-to-X plant for production of green fuel (e-methanol).

"In essence, Tønder Biogas addresses the climate impact of agricultural livestock production by extracting biomethane and CO_2, replacing fossil gas and recirculating nutrients back to the farmers," says Ole Fich, Associate Partner at CIP.

Local anchoring

Tønder Biogas Denmark is attractively located in an area with many agricultural livestock farms. This allows the biogas plant to source feedstock from local farmers from a radius of approximately 30 km around the production site.

"We have experienced great interest from local farmers to supply us with biomass. We receive the organic manure, run it through our production processes and recirculate organic materials as fertiliser for agricultural production, with an additional payment on top to the farmer – this makes it a source of income for farmers working with us," says Fich.

Quality above anything

Tønder Biogas will be built according to the highest industry practices using best available technologies. This allows for an optimal utilisation of the gas potential, with very low gas slippage and a reduction of the usual nuisances such as noise, odour and transport to the lowest possible level.

"Local farmers are very observant on the quality of the digestate (the feedstock material after extracting gasses) that they receive for distribution back to their farmland. They supply a clean product to Tønder Biogas and want in return a product without contamination. Building a new biogas plant and engaging with the community around it is also very much about trust and close cooperation" says Fich.

The biogas project is the first of its kind for CIP, but already serves as a showcase example of how to build a modern industrial biogas plant.

Tønder Biogas
Denmark

PROJECT CHARACTERISTICS

First gas in
November 2022

Will be among the largest biogas plants at full capacity in
Europe

CIRCULARITY-RELATED METRICS

Will convert approximately
900,000t
of green sustainable feedstock – agricultural and industrial organic waste, into
~40mn m3
of renewable natural gas

A safe working environment

Building and operating large-scale renewable infrastructure projects requires substantial workforces - both directly on assets and in the supply chain. These workers are instrumental in driving the green transition. For CIP, it is our unequivocal ambition to keep them safe and secure while they perform their work duties, and to ensure they are treated fairly and equally.

Ensuring high Health & Safety (H&S) standards

H&S has always been fundamental to CIP's way of working. Whilst H&S risks inherent to building and operating large-scale energy projects can never be entirely eliminated, we take a proactive approach to identify risks and prevent incidents.

As a fund manager, this is upheld through our disciplined approach to H&S. Firm H&S requirements are integrated into fund-level ESG standards which are applied to funds' investments and underlying projects. Furthermore, we expect and require projects to place clear H&S requirements on suppliers when driving procurement. This is implemented through our Code of Conduct for Business Partners (included on page 38). CIP strives to monitor and ensure that our H&S requirements have been implemented.

Our work in 2023: Our growth ambitions – in size and geographical footprint – mean that we will continue to create thousands of jobs worldwide. To ensure we continue to enforce high H&S standards on a project level and keep the growing number of project workers and partners safe, we have increased our capacity to support on H&S efforts and further strengthened our governance arrangements at this stage.

As part of this, we have strengthened our processes for assessing risk, implementing preventive measures and responding to and learning from ESG-related incidents. For H&S specifically, we have developed CIP-wide incident response procedures, building on existing project-level best practices in terms of incident notification and investigation. This is to share and ensure best practice application and standardisation across projects, preventing issues on an asset level.

Furthermore, a H&S performance monitoring forum was established to monitor, assess and react to trends – both positive and negative. The forum tracks the status of incident investigations to ensure necessary corrective actions are implemented and lessons learned are documented.

Focus ahead: Roll-out of our enhanced CIP-wide H&S incident response procedures will be initiated through implementation training with projects and systematic follow ups on progress through regular touchpoints.

HEALTH & SAFETY DATA PERFORMANCE BY FUND

FUND	LOST TIME INJURY (LTI)		LOST TIME INJURY FREQUENCY (LTIF)		TOTAL RECORDABLE INJURY RATE (TRIR)	
	2022	2023[1]	2022	2023[1]	2022	2023[1]
CI I	N/A	N/A	N/A	N/A	N/A	N/A
CI II	2	1	0.6	0.4	3.6	2.5
CI III	3	9[2]	0.8	1.7	3.5	3.9
CI IV	6	1	2.3	0.2	4.2	2.2
CI V	N/A	N/A	N/A	N/A	N/A	N/A
CI Artemis I	1	0	87.9	0	263.8[3]	0
CI Artemis II	0	0	0	0	0	141.7
CI GMF I	0	0	0	0	0	1.0[4]
CI ABF I	2	2	N/A	24.8	N/A	24.8
CI ETF I	N/A	4	N/A	3.8	N/A	3.8
CI GCF I	N/A	0	N/A	0	N/A	5.44
Total	**12**	**17**	**1.4**	**1.1**	**4.1**	**3.4**

While LTI's remain comparable to last year, LTIF and TRIR have reduced significantly due to increased hours worked. Reporting practices are presented in **Chapter 5**. Assets, in which more than one fund is invested, ae only counted once in the totals. CI I is N/A as there were no investments in the portfolio during the reporting period. CI V is N/A as no investments were under construction or operations in the reporting period.

1) 2023 performance data is subject to assurance. Reference is made to the Independent Auditor's Assurance Report on **page 71**.
2) Increase in LTI for CI III is due to increased work hours. Each incident has been investigated to identify causation and corrective actions.
3) CI Artemis I had a limited number of working hours in 2022. As such, a single injury in 2022 resulted in an unusually high injury frequency rate. This is assessed not to be reflective of broader H&S investment performance.
4) Whilst there were no LTI's recorded in CI GMF I, one fatality was recorded.

Ensuring fair labour conditions

At CIP, we treat employees fairly and equally, and respect fundamental and local labour rights. We also respect employee relations, such as the rights of our own workforce to collectively bargain. We expect and require the same from our suppliers.

To enforce this, our standard ESG clauses for project-level key contracts cover the treatment of labour and require key project suppliers to offer, at a minimum, market standard salaries and conditions for a given role and location.

Our work in 2023: We have updated and strengthened our processes for screening, assessing and monitoring projects and business partners. Before Final Investment Decision, we screen counterparties, including joint venture partners, contractors and suppliers, through third party platforms. We continue to monitor counterparties after Final Investment Decision.

If an incident is detected as part of the ongoing monitoring process, the ESG function will review and seek additional information if required and, in conjunction with the Investment Management function, determine any additional steps or actions to be taken. Such steps or actions will depend on various factors such as the severity of the incident and the role of counterparty.

Focus ahead: Through regular liaison with suppliers, we will continue to require that suppliers and business partners have high standards for labour conditions. Thereby, CIP works to raise local standards where possible.


CFXD, Taiwan

Mads Skovgaard Andersen
Partner at CIP

John Barker-Goldie
HSSE Director at CFXD

CASE | CI II AND CI III

Defining safety standards in new markets

Off the western coast of Changhua, Taiwan, CIP's CI II and CI III funds are currently constructing the 595 MW Changfang & Xidao (CFXD) offshore wind project, which will be one of the first large-scale offshore wind projects in Taiwan.

CIP has, through its funds, been involved in the construction of complex offshore wind infrastructure for more than a decade and is well-positioned to set and define strong market health and safety (H&S) standards when supporting the establishment and growth of new offshore wind markets, including Taiwan.

"Many of the employees working on the CFXD project, are working in a new industry. This makes a focus on H&S even more important," says Mads Skovgaard Andersen, Partner at CIP.

John Barker-Goldie, HSSE Director at CFXD continues "Our ambition is to keep the CFXD project team and its contractors safe, and we have defined a project slogan that captures just that: It should be safe for children to send their parents to work."

There are several H&S parameters that are important to consider when operating on offshore wind projects, including remoteness. Quick access, in case of emergencies and considering weather and water conditions, has to be evaluated as machinery is operated in moving conditions. These factors are important to incorporate into management processes and control measures.

An effective safety culture

"Developing offshore wind in a market without an established industry, such as oil and gas, renewables or maritime, requires project developers to do even more from an educational perspective and in the work with contractors, to ensure an enhanced focus on developing a H&S culture," says Barker-Goldie.

To promote a strong safety culture, the CFXD project has rolled out a behavioural safety programme modelled after the DuPont Safety Training Observation Program. This programme includes training for the CFXD project team and its contractors to raise knowledge and awareness on safety and best practices. An observation reporting system has been implemented as part of the programme. By scanning a QR code on their mobile devices, the project team, contractors' staff and visitors can file an observation card, with a safety suggestion and/or report a positive or negative safety observation.

"This system promotes transparency and open communication on safety," says Barker-Goldie. "It helps us follow H&S performance and use feedback and suggestions to implement appropriate corrective measures and enhance the safety conduct. This is essential to continue developing and educating the CFXD project team and contractors and prevent incidents from occurring."

Other H&S initiatives implemented include starting all meetings with a safety moment, sharing of safety content and reminders to project teams and contractors on a weekly basis. The CFXD project team has also set-up an H&S joint incentive programme with contractors. In order to incentivise and promote safety behaviour, every month an employee is nominated and rewarded, for example with small tools and electronics, for demonstrating exceptional behaviour in relation to safety.

Changfang & Xidao (CFXD)

Taiwan

PROJECT CHARACTERISTICS

Expected commercial operation date

2024

Capacity

595MW

HEALTH & SAFETY-RELATED METRICS

2023 LTIF

0.53

Number of safety briefs/toolbox talks in 2023

~13,000

Local community impact

CIP's funds invest with a long-term perspective that relies on building trust with CIP's partners – both industrial and local. We strive to create value that matters and that benefits all stakeholders. And we recognise that a just energy transition can only succeed if affected communities are considered by decision-makers.

Creating jobs locally

High-quality job creation is a key positive social impact of the CIP funds' projects, with CIP's funds creating thousands of direct and indirect jobs in project countries. Efforts to ensure all employees are treated fairly and equally are elaborated on page 32.

CIP recognises the importance of engaging local business and labour to construct and operate assets and have initiated several initiatives to source locally and build regional supply chains. This includes re- and upskilling the local workforce, for example through apprenticeship programmes. We also work alongside unions to ensure fair pay and wages.

2023 focus: One example of creating local impact is VW1. By the end of 2023, this project has created 937 union jobs (headcount) during the construction phase – and is expected to have created more than 1,000 union jobs by the time construction is completed in 2024. This is nearly double what was committed in the Project Labor Agreement in 2021. Further, the project is estimated to have delivered USD 590 million in total economic output to the Massachusetts economy so far[1].

Focus ahead: We continue to focus on expanding employment in the local communities where we operate. CI GMF II alone is estimated to result in more than 100,000 full-time equivalent years[2].

Engaging local communities

We realise the importance of understanding and responding to the interest of neighbouring communities, and we take a proactive approach to engaging local groups to ensure this.

Proactive measures and initiatives are rooted in a thorough mapping of local stakeholders and broad outreach to understand the perspective of the local community, and to inform them about the projects. Outreach activities include:

- Consultation and relationship-building activities, such as meetings, tours and town hall meetings
- Active participation in local businesses and communities, for example through events, working groups, panel debates and training courses
- Community funds to support impacted communities

EXAMPLES OF COMMUNITY ENGAGEMENT EFFORTS TO ENSURE A POSITIVE CONTRIBUTION TO THE LOCAL SOCIETY

PROJECT	INITIATIVE
Unicus India 	In a commitment to raise living standards, students in secondary schools near projects under development were provided with support to increase computer literacy. This involved supplying computers, installing power backup and electrical fittings and furnishing schools with tables and chairs. Support also extended to broader educational infrastructure with refurbishment of facilities such as school washrooms, ceiling fans and water coolers.
Mulilo South Africa 	Offering extensive economic development initiatives to local communities of projects under development, through various sponsorships. Examples include: • Establishing a top-tier mathematics programme in the Northern Cape, where mathematics classes are not always offered • Sponsoring the purchase of a Mobile Health Clinic to provide health services such as COVID-19 screening, eye testing and dental care • Providing financial assistance to students through bursaries covering tuition, accommodation, textbook allowance and a monthly stipend. There were 109 active student beneficiaries in 2023 • Providing accounting support to local businesses
Høst Denmark 	Proactive engagement with local communities, including: • Dialogue and relationship-building activities with local stakeholders, including meetings, presentations, tours, town hall meetings and the establishment of a local based idea group that could bring forward good ideas for project to explore • Active participation in local communities, such as events, working groups and panel debates • Initiating partnership with local district heating company to improve the local wastewater situation based an innovative new way of sourcing wastewater as a source for water for the PtX plant

1) Vinyardwind.com Press Release, 2023.
2) Figures based on CIP Flagship Fund "job creation" track record, based on a conservative estimate (e.g. assuming no localisation of equipment production).

Robert Helms
Partner at CIP

Nikita Nicholson
Head of Mulilo Asset Management

CASE | CI GMF I

Creating impact beyond – Giving back to local communities

South Africa is grappling with an energy crisis, with homes and businesses suffering blackouts for up to 12 hours per day. These centrally managed outages, called load shedding, are caused by decades of underinvestment in power capacity. Load shedding is exacerbating social inequality, as parts of the population already marginalised are disproportionately affected, due to restricted access to backup power sources[1].

Beyond this, South Africa has one of the most emission-intensive grids in the world – with coal comprising around 80 percent of the energy mix[2]. This underlines the need for renewable energy build-out.

In March 2023, CI GMF I acquired the majority of Mulilo Energy Holdings, a South African renewable energy developer. To date, Mulilo has built 440 MW wind and solar projects and has an extensive pipeline of renewable energy projects with total capacity of more than 30 GW.

"Working in the renewable energy sector – especially in South Africa – is hugely rewarding," says Nikita Nicholson, Head of Mulilo Asset Management. "The impact potential is multi-faceted: Beyond supporting the green transition where it is needed the most, we are solving an energy crisis - and through this addressing socioeconomic inequalities. Further, we support local communities, creating jobs and solving the issues that matter the most to them."

Communities as a shareholder

With a state-owned entity being the primary off-taker, accessing government-backed guarantees requires companies developing renewable energy projects within South Africa to have high socioeconomic impact throughout the projects' lifespan. This supports the country's wider targets under the Black Economic Empowerment (BEE) policy to enhance economic participation of black people and minorities. This includes establishing local community trusts as shareholders in the projects, procuring from local and women-owned suppliers and supporting enterprise and socioeconomic development within the communities immediately surrounding the project's location.

"Local communities are both stakeholders and shareholders in the projects that Mulilo develops by way of trusts and are part of identifying development needs. This means we can address the most pressing challenges," says Robert Helms, Partner at CIP.

In total, Mulilo has established six community trusts in the Northern Cape, the province in which all of its existing projects are located. These trusts have created a significant impact across local communities. Additionally, each project contributes a portion of revenue to socioeconomic and enterprise development initiatives each year.

One initiative has financed two mobile healthcare buses, which are able to see more than 700 patients every month. The buses service the whole local district, providing access to basic medical care, such as dental care, vision and hearing screening for foundation phase learners, and HIV testing. A second initiative supports local entrepreneurs by providing financial support to start-ups, paying for accounting services such as tax assistance and bookkeeping. Every year, 90 start-ups and entrepreneurs are assisted.

The flagship initiative, the Mulilo Bursary Fund, provides financial assistance to young South African citizens resident in the Northern Cape – a region with more than 40 percent youth

1) University of Pretoria, Pretoria, 2023
2) IEA, 2022
3) Statistics South Africa

Mulilo
South Africa

PROJECT CHARACTERISTICS

Total capacity of projects in operations
440MW

Total capacity of development pipeline
>30GW

COMMUNITY-RELATED METRICS

Funds for community investment in 2023
USD 1.64mn

Students enrolled in the Mulilo Bursary Programme in 2023
109

CASE CONTINUED

unemployment[3]. Bursaries cover tuition, accommodation, textbook allowance and a monthly stipend. The programme has graduated 86 students to date, and 109 students are currently enrolled across a vast number of fields of study including Accounting, Law, Engineering, Social Studies and Medicine.

In 2023, the programme was expanded by partnering with a local technical skills provider to launch a wind technician training programme. The programme is designed to provide specialist training to young people with a tertiary education to further develop their skills, simultaneously expanding their employment opportunities and strengthening the energy sector by adding to the pool of specialist skilled workers.

"At Mulilo we are incredibly proud of our bursary programme as it creates immediate opportunities and upliftment of the local youth through robust tertiary education, that unlock employment opportunities," says Nicholson.

Mulilo, South Africa

Respecting indigenous communities

CIP's goal is to continuously build and maintain positive, meaningful and long-term relationships based on mutual respect and trust with Indigenous Peoples on whose traditional territories CIP's funds have business activities. CIP acknowledges Indigenous Peoples' history, uniqueness and diversity, as well as their special and enduring connection to the lands they have traditionally occupied.

2023 focus: In the past year, we have maintained our focus on building long-term relationships with the local communities following the key principles of our Responsible Investment Policy. At the same time, we have continued our work with relevant stakeholders towards confirming a dedicated Indigenous People Policy that seeks to further define these overarching principles for CIP's funds' investments to apply within this highly project-specific topic.

An example of our engagement is on an onshore wind farm in North America, where the project team is actively working with groups of Indigenous People. Prior to construction, a ceremony was held, and cultural awareness training was conducted for project employees to raise awareness and address the protocol for reporting field findings related to traditional land use areas.

The Indigenous People continue to work with the project team in various ways. For example, surveys are conducted to identify traditional land use areas, which is an important step in preserving cultural heritage. During the construction phase, a cultural monitor is involved in overseeing project activities, ensuring construction activities are conducted in a way that mitigates impact on traditional land use areas.

Beyond this, CIP has committed to supporting Indigenous People during the lifetime of the project by providing employment and contracting opportunities. In addition, CIP makes contributions in support of education and training initiatives developed for Indigenous People.

Focus ahead: We will continue to educate and train relevant teams to strengthen awareness and ensure respectful engagement with Indigenous People.

Sourcing & supply chain accountability

Driving change in our supply chain

Through our active ownership approach, where we engage closely with equipment and service suppliers on key ESG topics, we seek to extend CIP's high ESG standards within the supply chains of our funds' projects. As outlined on page 17, CIP's ESG frameworks are guided and informed by established international standards, such as the UN PRI and UNGC.

As we continue to accelerate activities in new technologies and geographies – both with and without established supply chains – we seek to maintain high ESG standards.

CIP takes a proactive approach to monitoring and addressing supply chain issues through:

- Screening new suppliers on ESG criteria
- Periodic counterparty monitoring of sanctions and adverse media attention, including on ESG topics such as human rights violations, bribery, etc.
- Engaging suppliers, for example if ESG incidents involving a supplier are detected, CIP seeks to use its influence to rectify the incident and prevent it from occurring again
- ESG clauses in contractual arrangements, that require key suppliers to uphold specific standards of conduct, such as relating to human rights

Our work in 2023: During 2023, we rolled out our Code of Conduct for Business Partners across the investment process. The Code of Conduct defines CIP's requirements and expectations of business partners with respect to ESG performance and efforts.

To ensure compliance with CIP's standards, we ask suppliers to demonstrate traceability and auditability throughout process and manufacturing phases, particularly where potential high-risk exposures exist. We meet and go beyond market standards for specific technologies and geographies.

In December 2023, we became a member of the Solar Stewardship Initiative (SSI). The purpose of the initiative is to collaborate with developers, manufacturers, installers and purchasers across the global solar value chain and to promote responsible production, sourcing and stewardship of materials. Additional industry group memberships are also being considered with a focus on supporting the development of a responsible and transparent solar value chain.

The ESG Committee established in 2023 includes senior leadership representation from across the organisation. The ESG Committee discusses various topics such as CIP's supply chain strategy and approach to responsible procurement.

Focus ahead: As we continue to grow and develop a portfolio procurement approach, we seek to use our size and influence to improve ESG performance throughout the supply chain on topics such as labour and human rights, anti-corruption, anti-bribery, and managing impacts on ecosystems and communities. CIP continues to consider local regulation which may differ and thereby impact the suppy chain. Therefore, we work diligently to address this as best possible, but it may result in added costs, risk and complexity.

Code of Conduct for Business Partners

Objective: The Code of Conduct policy sets our requirements for Business Partners across CIP's investment processes, with the goal of ensuring they continue to uphold high ESG standards.

Key principles and commitments:

ENVIRONMENT
- Compliance with international and local laws and permits
- Good industry practices

SOCIAL
- No child labour, forced labour, harassment or discrimination
- Freedom of association, fair wages/labour conditions, equal opportunity

GOVERNANCE
- Procedures for anti-bribery and anti-corruption, sanctions, conflicts of interest
- Procedures for gifts, entertainment, hospitality

Implementation: We include the Code of Conduct in contractual agreements to establish a solid commitment from business partners and suppliers who are responsible for incorporating the standards into their own operations. To support implementation, we have facilitated trainings for CIP's investment professionals.

Peter Jannik Sjøntoft
Partner at CIP

CASE | CI GMF I

Adapting supply chain approach in evolving markets

The renewable energy sector, particularly production of solar PV panels, has faced growing scrutiny due to concerns regarding forced labour within its polysilicon supply chain in certain specific geographical regions (affected regions). While the shift towards cleaner energy sources is imperative for combating climate change, the unfortunate side of this transition involves ethical and human rights challenges which must be addressed.

The issue requires stringent contracting and sourcing practices given the extensive and complex network of suppliers that contribute to the solar industry's supply chain, often spanning multiple countries with varying labour standards, and historic low levels of component traceability. Some key raw materials are extracted in affected regions where allegations of labour rights abuses have been raised. Our stakeholders increasingly address these challenges, requiring CIP to adopt practices which prevent polysilicon components from affected regions from being used in our projects.

CIP is responding with a strategy that relies on three key elements:

- **ESG Standards:** Since it was founded, CIP has established ESG standards which are aligned with the IFC standards and the Equator Principles. CIP's Code of Conduct for Business Partners also includes matters related to human rights and forced labour, thereby requiring all business partners, suppliers and manufacturers to comply with these standards.
- **Transparency and Auditability:** In response to specific concerns in the affected regions, CIP has strengthened the contractual procurement requirements to ensure supply chain traceability and confirmation that products from the polysilicon value chain are not sourced from affected regions.
- **Industry Collaboration:** CIP has further strengthened its focus on collaboration among industry players, governments, and non-governmental organisations to improve industry-wide sourcing practices. Such recent initiatives include the Solar Stewardship Initiative (SSI), which works towards developing industry standards and guidelines to ensure ethical practices.

An example of where CIP has implemented its supply chain approach is CIP's Growth Markets Funds' (GMF) Unicus investment. This is a partnership with Ampin Energy Transition to build a portfolio of ca 2.3 GW of solar and hybrid projects in India, thereby making a substantial contribution to India's green transition and efforts to build 500 GW of renewable energy by 2030. Like for all other GMF I projects, each investment in this partnership is carefully negotiated with repsect to CIP's high ESG transparency and audit standards.

Unicus
India

PROJECT CHARACTERISTICS

Exp. commercial operations date
2025

Exp. avoided GHG emissions annually
3,735,000

Exp. Equivalent households to be powered
5,410,000

Helle Gammelgaard
Head of ESG

Xavier Klaeylé
Vice President in Investment Management at CIP

Nicolai Pinto Jørgensen
Manager at CISC

CASE | CI IV

Supply chain transparency in new asset classes

CIP's commitment to act responsibly applies directly to CIP's funds' assets and across supply chains. As every technology is unique, it is important for CIP to have a comprehensive understanding of the supply chains of all technologies which its funds invest in.

This includes new asset classes. In 2023, CI IV took Final Investment Decision on Coalburn 1, a 1 GWh battery energy storage system (BESS). It is the first battery project to reach Final Investment Decision across CIP's funds. The project is part of a large-scale BESS portfolio and is expected to be one of the largest battery storage projects in Europe.

"Investing in a new technology requires us to understand the specific supply chain and ESG risks and opportunities along the supply chain," says Xavier Klaeylé, Vice President in Investment Management at CIP. "Relative to other asset classes that CIP's funds have invested in, BESS is a fairly new technology. This means that industry standards, including on ESG, are less established and standardised."

BESS is a systematic enabler based on high ESG standards

With a strategic location in South Lanarkshire Council, Scotland, Coalburn 1 will ease transmission system congestion between Scotland, where there is a large and growing fleet of offshore and onshore wind farms, and England, where a large part of the demand is. Through this, the project reduces overall energy costs and lowers the carbon intensity of the UK power sector by ensuring better utilisation of available renewable energy resources and limiting the need for fossil fuel power generation during peak demand.

"While batteries are a systematic enabler in the transition to a more sustainable future, the battery supply chain is exposed to sustainability challenges, in particular relating to working conditions, pollution and biodiversity loss," says Klaeylé.

The BESS supply chain is distributed across multiple geographies and has a large supplier base, especially upstream.

This makes transparency and traceability along the supply chain, especially related to raw ore extraction and refining, challenging.

"Due to the commoditised nature of some components and raw materials, the BESS supply chain is relatively opaque. But we are committed to uphold CIP's ESG standards and ensure supply chain ESG risk exposures are properly managed," says Klaeylé.

A proactive approach

"At CIP, we manage the ESG impacts associated with our funds' investments in a sustainable and responsible manner. We require and expect the same ESG standards from project companies and suppliers. We seek to ensure this by working with suppliers to achieve compliance with appropriate standards within each country," says Helle Gammelgaard, Head of ESG at CIP. "To this end, we require that across the supply chain, human and labour rights are respected, and that sound environmental management practices are

Coalburn 1
United Kingdom

PROJECT CHARACTERISTICS

The first project in the Alcemi battery portfolio

Exp. commercial operations date

2026

Capacity of Coalburn

1GW

BESS projects under development across Alcemi portfolio

7

CASE CONTINUED

adopted. This is imperative for a just and sustainable transition to net zero."

"Supply chain accountability and ethical business practices start with supply chain transparency. It is a vital first step to identify and address potential ESG risks throughout the supply chain," says Nicolai Pinto Jørgensen, Manager in CISC's Strategic Supply Chain & Procurement team. " On Coalburn 1, we have taken a proactive approach to enhance supply chain transparency to ensure CIP's ESG Standards are upheld across the supply chain".

CIP and CISC collaborated with key suppliers on developing a supply chain mapping of key, critical components, all the way back to the geographic location of the mineral refining for specific sub-components. As part of the supply chain mapping, a set of key sub-suppliers were identified for key stages along the supply chain.

The supply chain mapping was used to develop a pre-approved list of sub-suppliers (a so-called 'whitelist'), that suppliers were required to commit to. To ensure alignment with CIP's ESG Standards, CIP conducts counterparty monitoring of companies on the whitelist, on ESG topics such as human rights violations, bribery, etc.

Furthermore, CIP requires auditability rights of key suppliers' fabrication facilities. This means that CIP and CIP representatives have the right to visit production facilities and audit processes and procedures to ensure they adhere to the ESG requirements, outlined in CIP's Code of Conduct for Business Partners.

"Supply chain transparency ensures trust and reliability among investors and stakeholders," says Jørgensen. "Furthermore, it facilitates informed decision-making and is imperative to ensure CIP's ESG standards are upheld throughout the supply chain."

"CIP has estimated the associated costs of implementing a high level of transparency, which have been reflected and incorporated into various project business cases," says Gammelgaard.

Responsible business practices

In 2023, the emphasis on responsible business practices at the investment level remained a pivotal focus in our commitment to the 'G' of ESG. This involves implementing robust systems and safeguards to ensure business continuity, effective risk management and adherence to CIP's ESG standards along with applicable laws and regulations. Failing to establish these measures may result in unforeseen adverse environmental, social or governance impacts, in addition to financial consequences.

This section summarises CIP's investment-level approach to responsible business practices. For a description of how CIP manages business practices in its own organisation, including on compliance, anti-bribery and cybersecurity, refer to Chapter 4.

Risk management

Prior to Final Investment Decision and on an ongoing basis during the lifetime of an asset, CIP assesses risks including, amongst others:

- Counterparty risk through screenings and monitoring
- ESG risks through physical climate risk assessments and monitoring of key KPIs
- Climate risk through stress tests and scenario analysis

Our work in 2023: In 2023, we continued to work with our suppliers and counterparties. ESG counterparty monitoring is integrated with financial counterparty monitoring.

The Risk Management Function performs quarterly stress tests of each individual fund in order to highlight potential weaknesses as they arise. The stress test is scenario-based and involves a list of multiple scenarios for five risk categories, including climate risk.

Scenarios are selected on a 'severe, but realistic' approach. This means that Risk Management will select the most adverse scenarios which are perceived as realistic under a distressed market scenario. The impact is illustrated on a ceteris paribus approach, against a base-case. The Board of Directors has set a risk appetite across risk categories. Breaches will be reported directly to the Board of Management and Board of Directors if detected.

Focus ahead: We will continue to ensure that CIP manages risk within its fund's investments in order to make well-informed decisions, such as accepting, mitigating or transferring risks. We will continue our screening, assurance and stress-testing and follow any industry developments within climate risk.


CIP New York, USA

Upholding the law, with a focus on anti-bribery and corruption

On the investment level, CIP's compliance focus remains committed to ensuring that our business partners align with our ESG requirements, contractual obligations and local laws. Our ongoing ESG monitoring procedures include rigorous tracking of investment-level compliance issues, extending to our suppliers.

We continue to use digital tools to monitor activities of funds' projects' supply chains on all ESG issues. For more information, please refer to Chapter 3 Sourcing & supply chain accountability.

Our work in 2023: Anti-bribery and corruption (ABC) has continued to be a key compliance focus area for CIP in the last year. During 2023, we have standardised and formalised our approach to third-party screenings. We have defined the method, encompassing both third parties with whom investment teams contract for projects and third parties at the manager (e.g. local office IT contacts).

At project level, we have also developed procedures for control requirements. The objective is to ensure that all projects have a clear policy for anti-bribery, with financial controls in place to mitigate the risks of bribery and corruption.

In the beginning of 2023, we appointed a dedicated compliance offer within CISC, focusing the implementation and adherence at investment and project level. This addition strengthens our commitment to compliance throughout our investments.

In 2023, there were no detected bribery or corruption incidents involving CIP's funds' investments.

Focus ahead: From 2024, we will ensure implementation of the ABC procedures and controls that we developed in 2023.

Moving forward, we will engage in assurance activities for projects, ensuring they align with the standards we uphold.

Cybersecurity

Robust cybersecurity measures continue to be essential for us to protect our investments and ensure we uphold our responsibilities to stakeholders and the community.

Our work in 2023: The NIS2 Directive, an EU-wide legislation on cybersecurity for critical infrastructure, has been a central focus area throughout 2023. We diligently developed owner and employer requirements, incorporating ISO standards 27001 and 27019, and NERC Critical Infrastructure Protection (NERC-CIP) standards for our investments and their subcontractors. NERC-CIP are security standards to regulate, enforce, monitor and manage North America's Bulk Electric System (BES). The primary focus has been on implementing post-Final Investment Decision investments, making substantial progress across projects in construction or already in operations. In addition, we have developed Business Continuity Policies (BCP), ensuring the cybersecurity resilience of our investments and assets.

Focus ahead: We will focus on completing NIS2 implementation across all assets, aligning with the impending Directive being effective October 2024. Our commitment to compliance extends globally, reflecting adherence not only to EU regulations but also a proactive approach to meeting the same standards across the world.

Looking ahead, our main focus will be on ensuring the security of our third-party vendors. We will work towards actively managing and monitoring their security standards, ensuring they align with our CIP expectations.

Tax Policy

CIP's Tax Policy is based on the Tax Code of Conduct defined by the Danish pension sector in 2020. Under its Tax Policy, CIP's primary objective is to be compliant with current tax legislation and ensure a compliant tax position. In addition, CIP does not pursue aggressive tax planning but endeavours to optimise the risk adjusted investment return for investors within the


CIP London, UK

relevant legal framework. CIP complies with all tax codes and collaborates with tax authorities in countries where we operate. The CIP Board of Directors reviews the Tax Policy annually.

Our work in 2023: In 2023, we rolled out our new Code of Conduct for Business Partners, which includes an expectation of appropriate behaviour and compliance toward standards of tax compliance amongst our business partners. CIP expects business partners to be committed to manage taxes in a responsible way according to local tax rules, and to operate in compliance with local and international tax laws as well as guidelines from the Organisation for Economic Co-operation and Development (OECD).

Focus ahead: We will continue to seek transparency on the tax policies of our business partners so that these can form part of our considerations of who we work with more broadly.

04

ESG in our own operations

ESG is a key part of the CIP operating model and the CIP ways of working. Internally, we concentrate our efforts on three ESG focus areas.

STRATEGIC ESG FOCUS AREAS

Reducing emissions from our own operations

Investing in the green transition is our main business objective. While emissions from CIP's own operations are low compared to the volume of emissions we avoid through our funds, we are committed to doing our part. That is why we have set a target to reduce emissions from our own operations. Our Scope 1-3 GHG emissions target is as follows:

- SCOPE 1 - fuels consumed in owned or operated assets: Maintain zero emissions
- SCOPE 2 - electricity, heating and cooling: Operate all our offices on 100 percent renewable electricity by 2025
- SCOPE 3 - supply chain emissions excluding investments: Achieve a 45 percent reduction in emissions per FTE by 2030 from a 2022 base year

While Scope 2 represents a small share of CIP's overall emissions, supporting the development of renewable electricity is what we do, which is why we want our offices to run on renewable electricity. We have chosen an intensity-based Scope 3 target due to the expected growth driven by our large project pipeline. This will require a significant increase in our overall activity level, especially business travel, which is why we have formulated a travel policy to reach CIP's 2030 target.

Our work in 2023: To reach our climate target we have worked systematically to identify emission reduction potentials and integrate decarbonisation efforts into our ways of working and the way we run our offices. Our efforts on decarbonising CIP's funds' financed emissions, are elaborated in Chapter 3.

In 2023, as part of our efforts to reach our 2025 Scope 2 target, we switched to renewable electricity in our Tokyo office. Throughout 2023, our offices in Copenhagen, Hamburg and Tokyo all operated on renewable electricity. Additionally, we have invested in high-quality carbon removal offsets for unavoidable Scope 2 GHG emissions in 2022.

In the past year, we have also initiated several initiatives to reduce our Scope 3 emissions. These include:

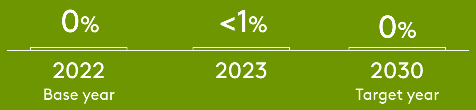
- Developing a **Responsible Procurement Guide**, with principles to guide employees on ensuring responsible procurement practices, for example by repairing and upgrading products and choosing items that can be recycled at the end-of-life. From our larger suppliers, we request emission estimates to increase our accuracy in measuring and tracking emissions from our purchased goods and services
- Developing a **Global Office Checklist** to ensure sustainability is part of the criteria when selecting new offices. The checklist also provides CIP Office Managers with guidance on how to work with owners and facility managers of the buildings where we operate. In turn, this supports sustainability efforts, such as on waste management practices
- Setting up **decarbonisation** for Office Managers, to identify and integrate decarbonisation efforts into the way we operate our global offices

Focus ahead: Going forward, we will continue to integrate decarbonisation efforts into the way we run our own business. Specifically, to reach our 2025 renewable electricity target, we will work with building owners and facility managers to switch to 100 percent renewable electricity where this is not yet the case.

The new CIP Copenhagen office on Nordø is Deutsche Gesellschaft für Nachhaltiges Bauen (DGNB) certified to the gold level. With a DGNB certification, a holistic effort has been made in relation to sustainability by considering environ-mental, social and economic aspects during the design and construction of the building. There has also been a focus on reducing GHG emissions over the construction lifecycle. A basic principle of a DGNB certification is to ensure an optimal indoor climate through sunlight, temperature and ventilation.

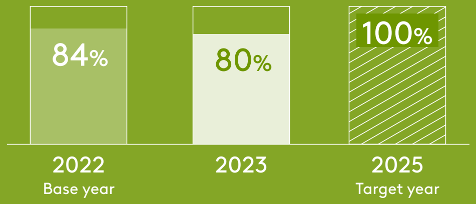
Scope 1 emissions

Target: Remain at 0% GHG emissions



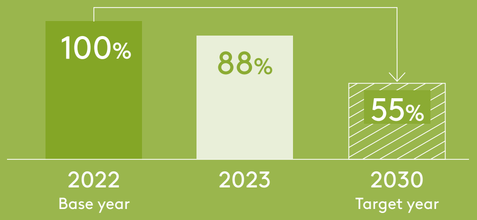
Scope 2 emissions

Target: 100% of electricity consumed is renewable by 2025



Scope 3 emissions

Target: Reduce Scope 3 GHG emissions per FTE by 45%



CIP, Denmark

SCOPE 1-3 EMISSIONS FROM CIP'S OWN OPERATIONS[1]

SCOPE	DESCRIPTION	EMISSIONS (TONNES OF GHG EMISSIONS)		EMISSIONS PER EMPLOYEE (TONNES OF GHG EMISSIONS)	
		2022	2023[2]	2022	2023[2]
Scope 1	Fuels consumed in owned or operated assets, e.g. company vehicles	0	5	0	0.01
Scope 2	Electricity, heating (Market based)	75[3]	116	0.1[3]	0.25
	and cooling (Location-based)	133	176	0.39	0.39
Scope 3 (Total)		6,764	8,016	19.9	17.6
Scope 3, Cat. 1	Purchased goods & services[4]	2,703	3,191	-	-
Scope 3, Cat. 2	Capital goods[4]	22	0	-	-
Scope 3, Cat. 3	Fuel- and energy-related activities	68	76	-	-
Scope 3, Cat. 5	Waste in operations	4	3	-	-
Scope 3, Cat. 6	Business travel	3,908	4,673	-	-
Scope 3, Cat. 7	Employee commuting	58	73	-	-
Total	(Market-based)	**6,839**	8,137	20.2[2]	17.8
	(Location-based)	**6,897**	8,198	20.3	18.0

Reporting practices are presented in **Chapter 5**. 2023 total energy consumption within the organisation under Scope 2: 1.73 GWh

1) The Scope 1-3 emissions from CIP's own operations encompass data from 11 offices located in Copenhagen, London, Hamburg, Munich, Utrecht, Luxembourg, New York, Tokyo, Singapore, Melbourne and Seoul. Notably, the overview excludes the Madrid office, as it is formally classified as a Copenhagen Infrastructure Service Co (CISC) office.
2) 2023 performance data is subject to assurance. Reference is made to the Independent Auditor's Assurance Report on page 71.
3) 2022 Scope 2 market-based emissions estimations have been recalculated due to the discovery of a calculation error. Reported value in ESG Report 2022 was 48.
4) Scope 3, Cat. 1 and Cat. 2 have been merged for the current reporting period. This reflects ongoing efforts to refine our GHG accounting processes. Future refinements may include improvements in data granularity, subject to data availability.

Dheema Gunness
Office Manager at CIP's Melbourne office

Coming together to decarbonise our own operations

To reach our climate target, we need to integrate decarbonisation into the way we operate our offices. At the 2023 CIP Corporate Conference, Office Managers from CIP's offices around the world participated in a Decarbonising Our Operations workshop. The objective was to identify emission reduction levers and share best practices.

The workshop was facilitated by Dheema Gunness, Office Manager at CIP's Melbourne office. The session started with a knowledge-building element, educating participants on climate accounting and drivers of CIP's emissions from our own operations.

Afterwards, participants engaged in a working session to share best practices and identify levers to implement across offices. The main outcome of the workshop was a list of levers, which each Office Manager can implement in their respective offices, where feasible.

"There was great engagement in the workshop and everyone contributed with ideas – big and small – for how we can reduce emissions in offices," says Gunness.

Several offices have already started implementing initiatives such as using LED lighting and motion sensors, and reusing IT equipment.

"It is inspiring to see how my colleagues in other offices have started to work with reducing emissions – we have a lot to learn from each other," says Gunness. "At the Melbourne office we have introduced several initiatives to reduce emissions, such as travel weeks, with the idea to limit flight travel to one week per month.
We also encourage employees to use alternative, non-flight transport modes and do our best to optimise travel patterns, scheduling as many meetings with local stakeholders in the days where we visit locations."

"Our office has a 5 Star Green Star rating and I have recently joined representatives from other companies in the building to form a Sustainability Committee, to discuss ways to continue to improve sustainability efforts. Most recently, we introduced reusable cups, such that when we buy a coffee in the cafeteria, we can return the cup, which can then be washed and reused. This avoids single-use cups."

CIP, Denmark

Diversity, inclusion and employee engagement

At CIP, we are a team of 500 employees working across our 12 offices around the world. Each employee is imperative to realising CIP's ambition of driving the green transition. We strive to attract, develop and retain a diverse workforce, and create an inclusive working environment, where our employees thrive and are motivated to keep driving change.

Diversity, Equity & Inclusion (DEI)

We truly believe that diversity is a catalyst for innovation – teams with different perspectives and backgrounds ask more diverse and explorative questions and make better decisions through a collaborative approach.

CIP has for several years focused on promoting gender balance across the organisation, and significant progress has been made. By the end of 2023, 40 percent of employees from Analyst to Senior Manager levels were female. Furthermore, female representation on our Board of Directors is 25 percent[1] – a representation we are committed to maintaining. In addition, the array of citizenships across our offices is key in establishing a diverse team. At CIP we have 44 different citizenships across our 12 offices worldwide.

1) Per guidance from the Danish Business Authorities, gender balance is achieved in a four member board when one of the members is of the underrepresented gender

Our work in 2023: Having a diverse workforce starts with hiring diverse talent. In 2023, we further strengthened our efforts by creating awareness and providing tools with the aim of removing unconscious bias in the recruitment process. This includes inclusive written communication in job advertisements, ensuring we attract the best candidates regardless of gender, age, ethnicity, neurodiversity and physical disability. Furthermore, we require at least one male and one female candidate at the final stage of hiring processes.

We have also focused on diversity in our talent management efforts. To combat unconscious bias in promotion and performance evaluation, we conduct awareness sessions on unconscious bias for all people managers ahead of year-end reviews, enabling everyone a chance to grow.

Our People team drives strategic diversity and inclusion initiatives and acts as a sparring partner to departments on implementing DEI initiatives. To strengthen DEI efforts and ensure necessary processes and procedures are in place, we focused on strengthening DEI capabilities in our People team in 2023. Through training and workshops, facilitated by external DEI advisors, we mapped initiatives that have worked in the past – and initiatives that have not – as well as potential new initiatives to be pursued.

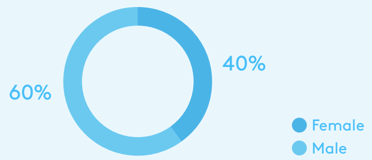
Our global approach to parental leave follows local standards and regulations. In 2023, we updated our Leave in Connection with Childbirth Policy for CIP and CISC employees' working in Denmark. To allow parents to make choices based on what is best for them, regardless of gender, all employees are entitled to 24 weeks of leave at full pay subject to certain conditions.

We are proud to have an international workforce. To ensure employees, who move across the world to work at CIP's headquarters, have the opportunity to learn the local language, we offer to pay for language courses. In the past year, we have also focused on attracting talent from various educational backgrounds by conducting recruiting events across different universities.

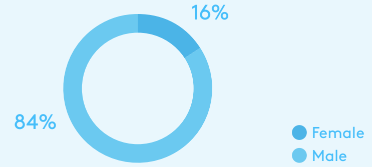
Focus ahead: We are committed to doing even more to enhance the gender balance in leadership by working systematically with retention and internal promotions to support female talent in rising to the top, and also by providing compelling value propositions for female talent within an industry with a low representatoin of females in general.

DIVERSITY AND INCLUSION STATISTICS IN CIP

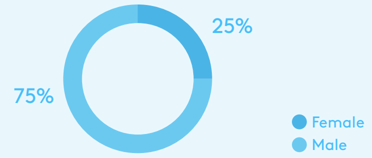
Gender distribution – Analyst to Senior Manager



Gender distribution – Leadership



Gender distribution – Board of Directors



The figures represent the composition of all employees, excluding Office Assistants. 'Leadership' is defined as Vice President level and higher seniority levels. These tables are subject to assurance only. Reference is made to the Independent Auditor's Assurance Report on page 71.

Nikolaj Svane
Chief Human Resource Officer

Increasing gender diversity in CIP

In 2023, Nikolaj Svane was appointed Chief Human Resource Office and is responsible for ensuring that both our employees and the organisation are performing and developing. This includes continuing to improve and expand efforts on employee engagement, wellbeing and promoting a diverse and inclusive working environment.

"CIP has been focusing on promoting the gender balance across the organisation since the company was founded 12 years ago. Today 40 percent of our employees from the level of Analyst to Senior Manager are women, which is satisfactory for a typically male dominated industry," says Svane.

"While progress has been made, more work lies ahead. Increasing female representation in leadership must be a priority for CIP. Through targeted efforts across recruitment, development, promotion and retention, we must do what we can to get more women to progress into senior leadership roles at CIP. The good thing is that we have great talent in CIP, so this is definitely possible."

As part of this, the People team monitors statistics on recruitment, performance evaluations and promotion processes, and systematically gathers insights from exit interviews. Insights and findings will be used to develop an actionable roadmap – the foundation required to reach an ambitious, yet realistic target.

The next generation of female leaders

At CIP we have a strong pipeline of female talent, that we believe includes future leaders in the field of renewables and investment. We are focusing on growing our internal talent and in 2024 we are looking to initiate activities to help accelerate the growth of female talent.

"I will be working directly with participants on the programme, to make tailored development plans to accelerate their careers," says Svane.

At CIP we welcome people of all ethnicities, socioeconomic backgrounds, gender identities, sexual orientations and nationalities. In years to come, we will continue expanding our DEI efforts - broadening our lens beyond gender and promoting an inclusive and diverse working environment for all.

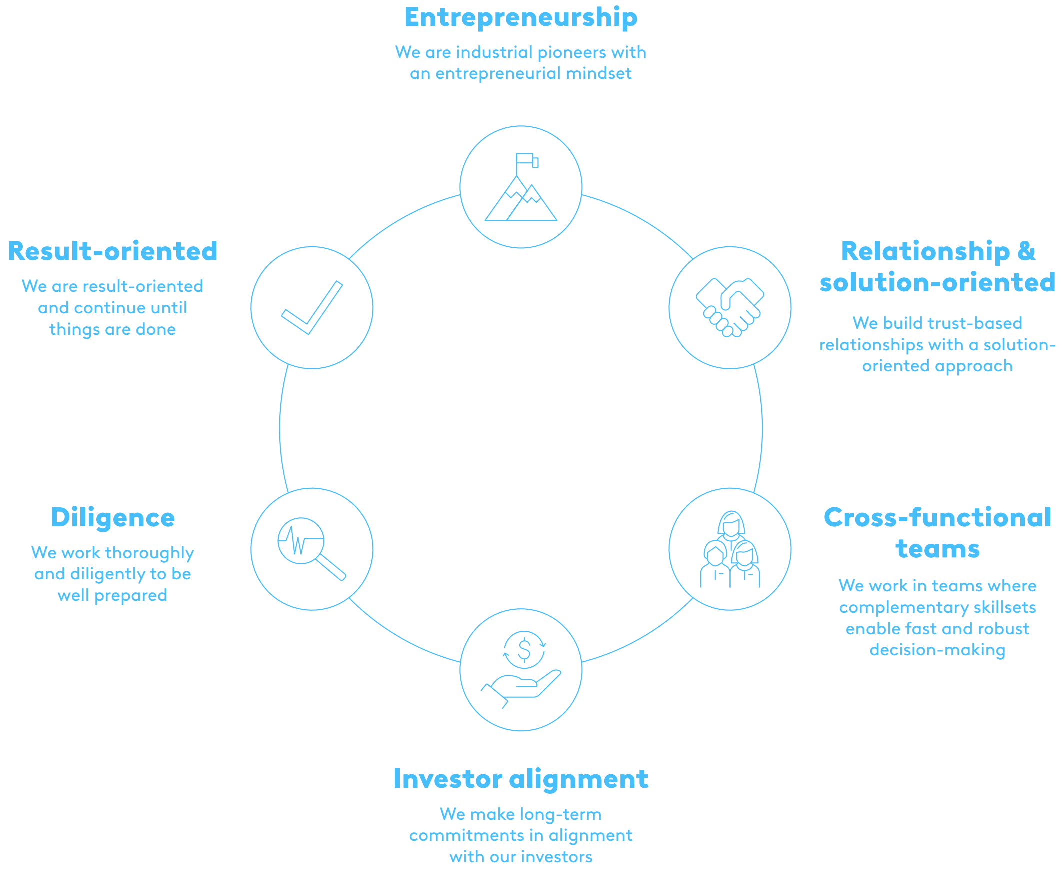
CIP London, UK

Core values and development programme

It is important for CIP that our employees have the best skills and conditions. That is why we have introduced the CIP Fundamentals and CIP Academy.

CIP Fundamentals are a set of six core values which represent our DNA, our way of working and how we deliver our core product. The Fundamentals unite CIP's employees across all offices, departments and levels, by providing a common set of values to focus on.

CIP Academy offers CIP employees training so that they are equipped with a toolbox of skills to deliver their very best. Topics covered include financial modelling, transactional documentation, technology-specific deep dives and ESG. Training on personal development is also offered, such as the GROW I and II programmes that focus on leadership development, and that are designed to support employees in assessing and identifying strengths and development areas. The CIP Academy is also an opportunity to connect with CIP colleagues from across geographies and teams, to foster and encourage collaboration.



Our work in 2023: Integrating CIP Fundamentals into our daily operations relies on collaboration and cross-organisational anchoring. During 2023, we held a corporate conference, where global employees came together to learn about and practice the CIP Fundamentals. All employees – across tenures – discussed how the CIP Fundamentals can be implemented within their teams and used to identify areas of improvement on a day-to-day basis. Based on these discussions, action plans were developed to ensure full incorporation of the CIP Fundamentals.

To engage with the CIP Fundamentals, it is key to focus on the wellbeing of CIP employees. We initiated dialogues with colleagues on how they may have experienced difficult or stressful situations in their daily work-life and how they, and across their teams, can best be supported to reduce stress in future situations. These dialogues helped gain insight on and identify opportunities to increase the wellbeing of the individual employee and also of the team. Through such initiatives, we strive to encourage open discussions about employee well-being in the workplace.

Focus ahead: In the past year, we also introduced regular pulse surveys to follow up on engagement and wellbeing. These surveys enable us to track performance and trends across the organisation. We will use these insights to help define strategic priorities and people-related decisions going forward.

Responsible business practices

Responsible business practices remain integral to our core values at CIP. We are committed to practicing responsible business that aligns our operations with our policies and aspirations.

This section describes CIP's approach to responsible business practices within our own operations at the management company level. For descriptions of CIP's investment-level approach, please refer to Chapter 3.

Taking action beyond our own business

Our work in 2023: In the past year, we became an official member of the World Economic Forum (WEF), a network of more than 1,000 member companies, allowing us to gain insights into relevant topics, such as ESG trends in the renewables industry, across the world. Through collaboration with other leaders, WEF allows us to contribute shaping the global renewables agenda. This is exemplified through our collaboration on key topics such as ESG regulation and legislation.

CIP participated in the 2023 United Nations Climate Change Conference (COP 28) in Dubai, where we hosted and took part in several high-profile events. We also launched CI GMF II, which received significant traction at COP 28, and again at the WEF Annual Meeting in Davos in January 2024, as a case in point for accelerating renewables in high-growth, high-emission growth markets. CIP also hosted an event on green fuels with other major stakeholders.

We have also launched the CIP Family Gives Back Programme (CFGBP) to inspire and motivate employees by giving them an opportunity to give back to society. CFGB supports projects and charities around the world that our colleagues are passionate about. Projects will be run by employees themselves and will need to live up to a set of established criteria, for example that they must deliver a specific, societal value.

Upholding the law, with a focus on anti-bribery and corruption

Ensuring robust ethical behaviour and compliance with the law among all employees remains crucial for CIP. These principles, integral to creating long-term sustainable value, are firmly embedded in CIP's Code of Conduct.

Our work in 2023: CIP has a zero-tolerance stance on bribery and corruption. In 2023, there were no reported incidents of bribery or corruption involving the company or its employees, as has been the case each year since CIP's establishment.

As part of our anti-bribery and corruption (ABC) framework roll-out, we developed company-wide compliance training that all CIP and CISC employees have completed during the year.

In 2023, we had no regulatory penalties, fines or litigation issued to or against CIP.

CIP has a whistleblower arrangement established pursuant to the Danish Act on the Protection of Whistleblowers, the Danish Alternative Investment Fund Managers Act and the Danish Anti Money Laundering and Terrorist Financing. Any reports received through the arrangement are initially screened by the independent law firm, Plesner. Plesner will make an assessment of the persons of the whistleblower unit who are able to process the report, which will normally be CIP's Chief Compliance Officer. CIP's Whistleblower Policy details who may report under the arrangement, which offences or violations may be reported and which persons may report under the arrangement. The Whistleblower Policy and the whistleblower reporting system are accessible through CIP's website www.cip.com and CIP's internal intranet. CIP did not receive any whistleblower reports in 2023[3].

Focus ahead: We will maintain our focus on ABC compliance in 2024 and strengthen or framework even further. This will include knowledge awareness and training refreshers to our employees. We continuously review our compliance practices to be proactive in upholding the law and our policies and procedures. We will also increase awareness of our whistleblower arrangement in 2024.

Cybersecurity

Cybersecurity efforts at the investment level are instrumental to uphold business continuity and fulfil our obligations to stakeholders and the society.

Our work in 2023: In 2023, we successfully completed implementation of ISO 27001[1] policies and solidified our control framework with ISO 27002[2]. We continue to enhance organisational resilience and responsiveness in accordance with our cybersecurity strategy that focuses on building capabilities in three domains: Security, Vigilance and Resilience. In addition, we have initiated impact analyses to assess the implications of the Digital Operational Resilience Act (DORA), an EU regulation that sets out a harmonised approach to digital operational resilience across the EU's financial sector.

In 2023, there were no material cybersecurity incidents on CIP's IT infrastructure[3].

Focus ahead: Looking ahead, we will continue to uphold our general cybersecurity standards as well as prepare for implementation of the DORA regulation across CIP.

Our approach to taxes

CIP's tax policy applies to CIP as a management company in the same way as it does to CIP's funds' investments. For further details, refer to Chapter 3.

1) This is an international standard for information security management
2) This is an international standard for the implementation of an Information Security Management System
3) This assertion was subject to assurance only

05

Disclosures and reporting frameworks

CIP tracks ESG data for two reasons:

1. **To monitor ESG risks and opportunities and identify areas for improvement** – this type of data ensures that CIP's contribution to net zero is made sustainably.

2. **To understand the positive impacts of its funds** – this type of data demonstrates CIP's contribution to net zero.

Previous Chapters have described in words the impact of CIP's funds on the pathway to a net zero economy.

This Chapter describes that impact in numbers.

CONTENTS

ESG data disclosures – Key highlights

Fund-level environmental disclosures[1]

FUND	ACTUAL RENEWABLE POWER GENERATION (THOUSANDS, MWH)[2]				ACTUAL GHG AVOIDED (OPERATING ASSETS) (THOUSANDS, TONNES GHG)[2]				ENVIRONMENTAL PROSECUTIONS[2]				EXPECTED ANNUAL GHG AVOIDED (ALL ASSETS) (THOUSANDS, TONNES GHG)[2]				EXPECTED ANNUALISED LIFECYCLE SCOPE 1-3 EMISSIONS (THOUSANDS, TONNES GHG)[2]			
	Fund share		Total project figure		Fund share		Total project figure		Fund share		Total project figure		Fund share		Total project figure		Fund share		Total project figure	
	2022	2023[3]	2022	2023[3]	2022	2023[3]	2022	2023[3]	2022	2023[3]	2022	2023[3]	2022	2023[3]	2022	2023[3]	2022	2023[3]	2022	2023[3]
CI II	2,855	1,716	3,940	3,176	*940*	580	*1,300*	*1,115*	0	0	0	0	1,800	1,370	4,995	4,405	55	40	170	125
CI III	1,278	1,252	2,114	2,266	*300*	*300*	470	*535*	0	0	0	0	1,625	1,630	3,405	3,650	95	100	170	185
CI IV	583	485	629	485	*105*	*140*	105	*140*	0	0	0	0	1,375	1,245	1,710	1,600	120	85	135	100
CI V	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	N/A	295	N/A	395	N/A	10	N/A	15
CI Artemis I	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
CI Artemis II	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
CI GMF I	19	902	39	1,069	10	755	25	885	0	0	0	0	1,790	3,390	3,650	5,525	130	165	265	305
CI ETF	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
CI ABF	N/A	16	N/A	16	N/A	1	N/A	1	0	0	0	0	N/A	40	N/A	40	N/A	4	N/A	4
CI GCF I	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	N/A	N/A	345	N/A	N/A	N/A	30	N/A
TOTAL	**4,734**	**4,371**	**6,712**	**6,817**	**1,355**	**1,775**	**1,890**	**2,575**	**0**	**0**	**0**	**0**	**6,585**	**7,970**	**12,095**	**12,905**	**400**	**400**	**705**	**655**

1) Totals may not add up due to roundings. 2022 and 2023 expected emissions values are not directly comparable as expected production values have in 2022 referred to the first full operational year, and in 2023 refer to the average operational year. CI I was fully divested prior to the reporting period. Total project figure for CI II and CI III include the full impact of Changfang Xidao & Vineyard Wind I and, as a result, the total figure does not add up to the sum of the individual reported fund values. CI GCF I is N/A for 2023 due to data availability.
2) Reporting practices are presented on **pages 65-67**.
3) 2023 performance data is subject to assurance. Reference is made to the Independent Auditor's Assurance Report on **page 71**.

Fund-level social disclosures[1]

FUND	NUMBER OF EQUIVALENT HOUSEHOLDS POWERED (ACTUAL, THOUSANDS)[2]				EXPECTED NUMBER OF EQUIVALENT HOUSEHOLD TO BE POWERED (THOUSANDS)[2]				LOST TIME INJURIES (LTI)[2]		LOST TIME INJURY FREQUENCY RATE (LTIF)[2]		TOTAL RECORDABLE INJURY RATE (TRIR)[2]	
	Fund share		Total project figure		Fund share		Total project figure							
	2022	2023[3]	2022	2023[3]	2022	2023[3]	2022	2023[3]	2022	2023[3]	2022	2023[3]	2022	2023[3]
CI II	385	270	710	660	700	515	2,805	1,885	2	1	0.6	0.4	3.6	2.5
CI III	235	265	425	510	1,015	915	1,985	1,935	3	9	0.8	1.7	3.5	3.9
CI IV	150	45	165	45	715	605	945	820	6	1	2.3	0.2	4.2	2.2
CI V	N/A	N/A	N/A	N/A	N/A	95	N/A	125	N/A	N/A	N/A	N/A	N/A	N/A
CI Artemis I	485	500	725	745	645	500	960	745	1	0	87.91	0	263.8	0
CI Artemis II	780	775	2,300	2,320	1,035	775	3,050	2,320	0	0	0	0	0	141.7
CI GMF I	35	105	70	155	2,650	3,510	5,410	6,390	0	0	0	0	0	1.0
CI ETF	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4	N/A	3.8	N/A	3.8
CI ABF	N/A	4	N/A	4	N/A	115	N/A	115	2	2	N/A	24.8	N/A	24.8
CI GCF I	N/A	N/A	N/A	N/A	N/A	N/A	885	N/A	N/A	0	N/A	0	N/A	5.44
TOTAL	**2,070**	**1,970**	**4,390**	**4,380**	**6,760**	**7,025**	**14,265**	**13,175**	**12**	**17**	**1.4**	**1.1**	**4.1**	**3.4**

1) Totals may not add up due to roundings. 2022 and 2023 expected emissions values are not directly comparable as expected production values have in 2022 referred to the first full operational year, and in 2023 refer to the average operational year. CI I was fully divested prior to the reporting period. Total project figure for CI II and CI III include the full impact of Changfang Xidao & Vineyard Wind I and, as a result, the total figure does not add up to the sum of the individual reported fund values. CI GCF I is N/A for 2023 due to data availability.
2) Reporting practices are presented on **pages 65-67**.
3) 2023 performance data is subject to assurance. Reference is made to the Independent Auditor's Assurance Report on **page 71**.

Fund-level governance disclosures

In 2021, 2022 and 2023, CIP screened 100% of project partners prior to the Final Investment Decision across all funds.

In 2021, 2022 and 2023, CIP included ESG clauses in 100% of major supply contracts and other documents governing the construction and/or operations of an asset in the funds' underlying portfolio across all funds.

In 2023 CIP's funds obtained a GRESB management score of 28/30 (CI II, CI III, CI IV, CI ETF I, and CI NMF I)[1].

Reading note: Assets in which more than one fund is invested, are only counted once in totals. Further information on why there is not a direct correlation between fund size and impact size: Both climate- and household-related ESG metrics are highly dependent on the grid mix and the annual household electricity consumption in each country, which is the primary driver for variation in these numbers, including between years. An investment in a country with a more fossil fuel-based grid (e.g. USA) will result in more GHG emissions than an equivalent-sized investment in a country with a more renewable grid (e.g. UK). Similarly, an investment in a country with a lower average household electricity consumption (e.g. India) will result in more equivalent households powered than an equivalent-sized investment in a country with a higher average household electricity consumption (e.g. USA). The locations of each fund investment are contained on **page 56-58**.

1) GRESB is an organisation that administers a global ESG assessment for infrastructure funds, allowing a consistent, globally applicable reporting and benchmarking score. The GRESB score was subject to assurance.

Investment-level disclosures[1]

Investment-level disclosures[1]

FUND	ASSET TYPE	LOCATION	EXPECTED ANNUAL EMISSIONS TO BE AVOIDED (TONNES GHG EMISSIONS)		EXPECTED EQUIVALENT HOUSEHOLDS TO BE POWERED		EXPECTED ANNUALISED LCA SCOPE 1-3 EMISSIONS (TONNES GHG EMISSIONS)	
			Fund share	**Total project figure**	**Fund share**	**Total project figure**	**Fund share**	**Total project figure**
CI II			1,370,000	4,405,000	515,000	1,885,000	40,000	125,000
Terna Den	Onshore wind	United States	380,000	565,000	80,000	120,000	10,000	15,000
Bearkat II	Onshore wind	United States	185,000	185,000	50,000	50,000	6,000	6,000
Blue Cloud I	Onshore wind	United States	65,000	260,000	15,000	60,000	2,000	7,000
Changfang & Xidao	Offshore wind	Taiwan	260,000	1,660,000	135,000	850,000	6,000	35,000
Kent	Biomass	United Kingdom	N/A	N/A	N/A	N/A	N/A	N/A
Veja Mate	Offshore wind	Germany	220,000	685,000	155,000	490,000	6,000	20,000
Vineyard Wind I	Offshore wind	United States	265,000	1,050,000	80,000	310,000	10,000	40,000
CI III			1,630,000	3,650,000	915,000	1,935,000	100,000	185,000
Changfang & Xidao	Offshore wind	Taiwan	780,000	1,660,000	400,000	850,000	15,000	35,000
Deutsche Erdwärme	Geothermal	Germany	30,000	40,000	35,000	45,000	4,000	5,000
Greasewood	Solar PV	United States	175,000	175,000	50,000	50,000	25,000	25,000
Jeonnam I	Offshore wind	South Korea	60,000	120,000	55,000	110,000	2,000	4,000
Lostock	Waste-to-energy	United Kingdom	110,000	185,000	70,000	115,000	15,000	25,000
Misae	Solar PV	United States	95,000	180,000	25,000	55,000	15,000	25,000
Monegros	Onshore wind	Spain	95,000	190,000	200,000	390,000	7,000	15,000
Sage (VK Solar)	Solar PV	United States	25,000	50,000	7,000	15,000	4,000	7,000
Vineyard Wind I	Offshore wind	United States	265,000	1,050,000	80,000	310,000	10,000	40,000

Assets in which more than one fund is invested are only counted once in totals. The figures include rounding. CI ETF I is excluded as metrics are not directly applicable, as its only investment at end 2023 is in an electrolyser producer (detailed further in 'Reporting practices' section).

1) Reporting practices are presented on **pages 65-67**.

Investment-level disclosures[1] - continued

FUND	ASSET TYPE	LOCATION	EXPECTED ANNUAL EMISSIONS TO BE AVOIDED (TONNES GHG EMISSIONS)		EXPECTED EQUIVALENT HOUSEHOLDS TO BE POWERED		EXPECTED ANNUALISED LCA SCOPE 1-3 EMISSIONS (TONNES GHG EMISSIONS)	
			Fund share	**Total project figure**	**Fund share**	**Total project figure**	**Fund share**	**Total project figure**
CI IV			1,245,000	1,600,000	605,000	820,000	85,000	100,000
Buffalo Plains	Onshore wind	Canada	140,000	140,000	135,000	135,000	15,000	15,000
Coalburn (Alcemi (Phase I))	Storage and battery	United Kingdom	N/A	N/A	N/A	N/A	N/A	N/A
Fighting Jays	Solar PV	United States	255,000	255,000	80,000	80,000	40,000	40,000
Lotus Creek	Onshore wind	Australia	500,000	500,000	180,000	180,000	10,000	10,000
Slough	Waste-to-energy	United Kingdom	75,000	145,000	55,000	110,000	10,000	20,000
Teruel	Onshore wind	Spain	N/A	N/A	N/A	N/A	N/A	N/A
Zone 29	Offshore wind	Taiwan	270,000	550,000	155,000	315,000	7,000	15,000
CI V			395,000	395,000	95,000	125,000	10,000	15,000
Panther Grove I	Onshore wind	United States	295,000	395,000	95,000	125,000	10,000	15,000
CI Artemis I[2]			N/A	N/A	500,000	745,000	N/A	N/A
CI Artemis I	Transmission	Germany	N/A	N/A	500,000	745,000	N/A	N/A
CI Artemis II[2]			N/A	N/A	775,000	2,320,000	N/A	N/A
CI Artemis II	Transmission	Germany	N/A	N/A	775,000	2,320,000	N/A	N/A
CI GMF I			3,390,000	5,525,000	3,510,000	6,390,000	164,000	305,000
Golden Gate	Onshore wind and solar PV	South Africa	1,040,000	1,195,000	90,000	100,000	25,000	30,000
Iris I	Onshore wind	India	520,000	595,000	770,000	880,000	9,000	10,000
Unicus	Solar PV and onshore wind	India	1,830,000	3,735,000	2,650,000	5,410,000	130,000	265,000

1) Reporting practices are presented on **pages 65-67**.
2) Avoided emissions are not reported for CI Artemis I and CI Artemis II as the metric is not relevant for transmission assets.

Investment-level disclosures[1] - continued

FUND	ASSET TYPE	LOCATION	EXPECTED ANNUAL EMISSIONS TO BE AVOIDED (TONNES GHG EMISSIONS)		EXPECTED EQUIVALENT HOUSEHOLDS TO BE POWERED		EXPECTED ANNUALISED LCA SCOPE 1-3 EMISSIONS (TONNES GHG EMISSIONS)	
			Fund share	**Total project figure**	**Fund share**	**Total project figure**	**Fund share**	**Total project figure**
CI ETF[2]			N/A	N/A	N/A	N/A	N/A	N/A
Sunfire	Electrolyser production	Germany	N/A	N/A	N/A	N/A	N/A	N/A
CI ABF			40,000	40,000	115,000	115,000	4,000	4,000
Tønder Biogas	Biogas (anaerobic digestion)	Denmark	40,000	40,000	115,000	115,000	4,000	4,000
CI GCF I[3]			N/A	N/A	N/A	N/A	N/A	N/A
Capital Energy	Onshore wind	Spain	N/A	N/A	N/A	N/A	N/A	N/A
Charlie	Synthethic Risk Transfer/Loan portofolio (Wind, solar, BESS, EfW, Transmission)	United States, Spain, Italy, UK, Australia, Canada, France & Other EU	N/A	N/A	N/A	N/A	N/A	N/A
Ilmatar Energy (Luna)	Onshore wind Solar PV	Sweden, Finland	N/A	N/A	N/A	N/A	N/A	N/A
TagEnergy (Zeta)	Onshore wind Solar PV Battery Energy Storage System (BESS)	Australia, UK, Spain	N/A	N/A	N/A	N/A	N/A	N/A
Total			7,970,000	12,905,000	7,025,000	13,175,000	400,000	655,000

1) Reporting practices are presented on **pages 65-67**.
2) CI ETF I is N/A as metrics are not directly applicable, as its only investment at end 2023 is in an electrolyser producer.
3) CI GCF I is N/A due to data availability.

Alignment of interests with stakeholders

CIP's engagement with stakeholders continued throughout 2023. CIP's engagement channels and stakeholder focus areas for 2023 are set out below.

2023 STAKEHOLDER ENGAGEMENT SUMMARY (SELECTED EXAMPLES)

INVESTORS	**Briefings and meetings** ESG due diligence meetings, Investor Panel meetings	**Formal investor reporting** Annual ESG Report, Investor Panel materials	
GOVERNMENT AND REGULATORS	**Meetings** Meeting local municipalities regarding benefits of renewables and consulting with national policymakers on how to support the industry	**Submissions and bids** Engagement in energy infrastructure auctions	**Reporting** Sustainability regulatory reporting (e.g. SFDR, EU taxonomy)
SUPPLIERS	**Meetings** Meeting senior management of supplier in case of ESG incident	**Procurement processes** Including ESG standards and reporting in request for proposals	**Reporting** Receiving monthly reports from project contractors
COMMUNITIES	**Community meetings** School and community visits with local residents	**Ongoing dialogue and outreach** Engagement with fishing communities for offshore projects, online forums for feedback, sponsorships of local events	**Websites, newsletters** Online engagement and inbound communication with communities
INDUSTRY	**Conferences and events** Frequent attendance at conferences by ESG team	**Participation on committees and working groups** Member of working group formulating GRESB standards	**Presentations** Presentations to industry groups (e.g. Danish business forum)
EMPLOYEES	**Meetings** Mandatory ESG introduction for all new employees	**Training and workshops** Multiple internal and external trainings held	

Reporting frameworks

Sustainable Development Goals

The Sustainable Development Goals (SDGs) are a blueprint developed by UN Member States to achieve a better and more sustainable future for all. Large-scale investments in energy infrastructure will be instrumental in meeting these goals. Energy infrastructure provides services that allow people to be economically productive (e.g. electricity) and enables development through job creation and economic activity. CIP uses the SDG framework as one way of measuring the impact of its funds under management

SDG	KEY TARGET	HOW THE FUNDS CONTRIBUTE
3 GOOD HEALTH AND WELL-BEING	**Target 3.9** Substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination	Mitigating negative impact: SDG Indicator 3.9.1 The funds' portfolios have 11.7 GW of renewable energy projects that have reached Final Investment Decision
7 AFFORDABLE AND CLEAN ENERGY	**Target 7.2** Increase substantially the share of renewable energy in the global energy mix	Creating positive impact: SDG Indicator 7.2.1 The funds' portfolios have 11.7 GW of renewable energy projects that have reached Final Investment Decision
8 DECENT WORK AND ECONOMIC GROWTH	**Target 8.8** Protect labour rights and promote safe and secure working environments for all	Mitigating negative impact: SDG Indicator 8.8.1 The funds had an annual LTIF of 1.1 in 2023, below industry average
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	**Target 9.4** Make infrastructure and industries sustainable, with increased resource efficiency and use of renewable technology	Creating positive impact: SDG Indicator 9.4.1 Renewable projects and transmission assets in which the funds are invested avoid significant emissions, and CIP is working to decarbonise the fund's investments' supply chain
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	**Target 12.4** Achieve environmentally sound management of chemicals and all wastes throughout their life cycle and significantly reduce their release to air, water and soil in order to minimise their adverse impacts on human health and the environment	Mitigating negative impact: SDG Indicator 12.4.2 All of the funds' projects have environmental management plans or systems to ensure that discharges, releases and emissions of hazardous waste are controlled, reported and managed
13 CLIMATE ACTION	**Target 13.3** Improve capacity on climate change management	Creating positive impact: SDG Indicator 13.2.2 Renewable energy projects and transmission assets in which CIP's funds are investing, are often aligned with strengthened regulatory support regimes targeting climate change management and/or mitigation
14 LIFE BELOW WATER	**Target 14.2** Sustainably manage and protect, and restore marine and coastal ecosystem	SDG Indicator: N/A (specific indicators not directly relevant to CIP) CIP projects conduct environmental impact assessments and strive minimise impact on local ecosystems
15 LIFE ON LAND	**Target 15.5** Reduce the degradation of natural habitats, halt the loss of biodiversity and protect and prevent the extinction of threatened species	SDG Indicator: N/A (specific indicators not directly relevant to CIP) CIP projects conduct environmental impact assessments and strive minimise impact on local ecosystems

Taskforce on Climate-Related Financial Disclosures (TCFD)[1]

THEME	RECOMMENDED DISCLOSURE	REFERENCE CHAPTER/COMMENTS	PAGES
GOVERNANCE	**a.** Describe the board's oversight of climate risks and opportunities **b.** Management's role in assessing and managing climate-related risks and opportunities	The Board oversees CIP's overall strategic direction, which contributes directly to the green transition and seeks to minimise the risk of investments, including climate-related risk Chapter 2	- 18-19
STRATEGY	**a.** Summary of climate risks and opportunities **b.** Impact of climate risks and opportunities on strategy planning **c.** Resilience of the strategy, under different climate-related scenarios	Chapter 1 Chapter 2 Chapter 3 Chapter 4	13-14 16-17 21-24 45-46
RISK MANAGEMENT	**a.** Processes for identifying and assessing climate-related risks **b.** Processes for managing climate-related risks **c.** Integration of climate-related risks into overall risk management	Chapter 2 Chapter 3 Chapter 3 Chapter 5	16-19 21-24 42-43 62-64
METRICS AND TARGETS	**a.** Metrics used to assess climate risks and opportunities **b.** Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and related risks. **c.** Describe the targets and performance for climate risks and opportunities	Chapter 3 Chapter 4 Chapter 5 Chapter 5 Renewable power capacity financed by CIP managed Funds: 11.7GW Funds raised for renewable energy infrastructure projects: € 28bn	21-24 45-46 60 62-64

1) At the COP28, it was announced that the Task Force on Climate-related Financial Disclosures (TCFD) was disbanded, and that the responsibility for climate-related financial reporting will transfer from the Financial Stability Board (FSB) to the International Sustainability Standards Board (ISSB).

Taskforce on Nature Related Financial disclosures and Science Based Targets for Nature reporting

We are aware of the ongoing work on a global level by the Science Based Targets Network and the Taskforce on Nature-related Financial Disclosures, to define reporting frameworks and standards for company level strategy. At the time of drafting this report, the final frameworks were not yet released and are, therefore, not included in this report. Nevertheless, the guidance of these frameworks has informed the biodiversity-related information covered in this report. CIP supports the ongoing work of these initiatives to drive positive long-term outcomes for nature, and will strive to align our reporting to them going forward.

Further information

This ESG report is a report made available by CIP to report on the ESG performance of the Funds and CIP. The report is not extending the CSR information provided in the annual report for CIP Holding P/S or CIP P/S and is not made available to ensure compliance with the disclosure requirements of the Danish Financial Statement Act for CIP Holding P/S or CIP P/S. Appendix: CSR Commentary for Funds on **page 72** constitutes Funds' compliance with the statutory statement on corporate social responsibility, in accordance with section 99a of the Danish Financial Statements Act.

Global Reporting Initiative and Sustainability Accounting Standards Board Reporting

CIP applies the SASB and GRI reporting frameworks by selecting a prioritised set of indicators from the two frameworks on which to report. Indicators are selected based on their applicability to CIP's strategic ESG focus areas and their materiality to CIP's business and operations.

Our approach to reporting under these (and other) frameworks evolves each year, with an intention to cover as many relevant elements of sustainability performance as we can going forward.

GRI STANDARD	DISCLOSURE	SASB CODE	LEVEL	VALUE OR REFERENCE SECTION	PAGES
GRI 2 **General Disclosures 2021**	2-1: Organisational details		Management	Back cover	-
	2-2: Entities included in the organisation's sustainability reporting		Management Investment	Chapter 5	74
	2-3: Reporting period, frequency and contact point		Management	This report covers full-year 2023, and is an annual publication. For contact points, visit cip.com	-
	2-4: Restatements of information		Management	No restatements of information were required in this report	-
	2-5: External assurance		Management	Chapter 5	74
	2-6: Activities, value chain and other business relationships		Management Investment	Chapter 3	23
	2-9: Governance structure and composition		Management	Chapter 2	19
	2-13: Delegation of responsibility for managing impacts		Management	Chapter 2	19
	2-16: Communication of critical concerns	FN-AC-510a.2	Management	Chapter 4	51
	2-22: Statement on sustainable development strategy	FN-AC-410a.2	Management	Chapter 1	6-8
	2-26: Mechanisms for seeking advice and raising concerns		Management	Chapter 4	51
	2-27: Compliance with laws and regulations		Management Investment	Chapter 3 Chapter 4	42-43 51
	2-29: Approach to stakeholder engagement		Management Investment	Chapter 5	59
GRI 3 **Material Topics 2021**	3-1 Process to determine material topics		Management Investment	Chapter 2	16
	3-2 List of material topics		Management Investment	Chapter 2	16
GRI 203 **Indirect Economic Impacts 2016**	203-1 Infrastructure investments and services supported		Investment	Chapter 3 Chapter 5	34-37 53-55
GRI 205 **Anti-corruption 2016**	205-3 Confirmed incidents of corruption and actions taken		Management Investment	Chapter 3 Chapter 4	42-43 51

SASB and GRI reporting - continued

GRI STANDARD	DISCLOSURE	SASB CODE	LEVEL	VALUE OR REFERENCE SECTION	PAGES
GRI 206 **Anti-competitive Behaviour 2016**	206-1: Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices		Management Investment	Chapter 3 Chapter 4	42 51
GRI 207 **Tax 2019**	207-1: Approach to tax		Management Investment	Chapter 3 Chapter 4	42-43 51
GRI 302 **Energy 2016**	302-1: Energy consumption within the organisation		Management	2023 total energy consumption under Scope 2: 1.73 GWh	-
GRI 305 **Emissions 2016**	305-1: Direct (Scope 1) GHG emissions	IF-EU-110a.1(1)	Management Investment	Chapter 3 Chapter 4	21-23 45-46
	305-2: Energy indirect (Scope 2) GHG emissions		Management Investment	Chapter 3 Chapter 4	21-23 45-46
	305-3 Other indirect (Scope 3) GHG emissions		Management Investment	Chapter 3 Chapter 4	21-23 45-46
GRI 403 **Occupational Health and Safety 2018**	403-1: Occupational health and safety management system		Investment	Chapter 3	31-33
	403-2: Hazard identification, risk assessment, and incident investigation		Investment	Chapter 3	31-33
	403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		Investment	Chapter 3	31-33
	403-9: Work-related injuries		Investment	Chapter 3	31-33
	403-10: Work-related ill health		Investment	Chapter 3	31-33
GRI 404 **Training and Education 2016**	404-2: Programmes for upgrading employee skills and transition assistance programmes		Management	Chapter 4	48-50
GRI 405 **Diversity and Equal Opportunity 2016**	405-1: Diversity of governance bodies and employees	FN-AC-330a.1	Management	Chapter 4	48-49

SASB and GRI reporting - continued

GRI STANDARD	DISCLOSURE	SASB CODE	LEVEL	VALUE OR REFERENCE SECTION	PAGES
GRI 413 **Local Communities 2016**	413-1: Operations with local community engagement, impact assessments, and development programmes	RR-ST-160a.2	Investment	Chapter 3	34-37
Finance sector indicators – Disclosure on management approach	FS1: Policies with specific environmental and social components applied to business lines		Management	Chapter 2	16-17
	FS2: Procedures for assessing and screening environmental and social risks in business lines		Management	Chapter 2	18
	FS3: Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions		Management	Chapter 2	18
Finance sector indicators – Product portfolio	FS6: Percentage of the portfolio for business lines by specific region, size (e.g. micro/sme/large) and by sector		Management	Chapter 5	56-58
	FS8: Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose		Management	Chapter 1 (The entire CIP portfolio of € 28 bn is invested in assets that deliver environmental benefits)	3-4
Finance sector indicators – Product portfolio	FS10: Percentage and number of companies held in the institution's portfolio with which the reporting organisation has interacted on environmental or social issues		Management	Chapter 2 CIP interacts with all portfolio companies on these issues	16-19
	FS11: Percentage of assets subject to positive and negative environmental or social screening	FN-AC-410a.1	Management	Chapter 2 CIP's full portfolio is subject to screening on environmental and social criteria	16-18
N/A		FN-AC-000.A: (1) Total registered and (2) total unregistered assets under management (AUM)	Management	CIP manages total committed funds of € 28 bn	-

Reporting practices

All funds within the scope of this report are managed by CIP P/S or affiliated management companies. In this report, references to an investment refer to an investment made by the relevant fund. An investment is considered to be made and an asset considered being in a fund's portfolio when that fund has taken a Final Investment Decision on the specific investment.

Actual Renewable Power Generation

Actual renewable power generation is calculated as total electricity supplied by projects utilizing technologies defined as renewable (all projects other than waste-to-energy, battery energy storage system, and biomass projects). N/A stated for CI Artemis I and CI Artemis II as the metric is not relevant for transmissions assets. N/A stated for CI ETF I as the metric is not directly applicable, as its only investment at end 2023 is in an electrolyser producer.

Annualised lifecycle Scope 1-3 emissions

Estimates of annualised lifecycle Scope 1-3 emissions are calculated by applying asset-specific data to international peer-reviewed research papers from 2018 onwards and lifecycle assessment databases. Estimates include emissions from the development, construction and decommissioning phases and include supply chain emissions. A figure of N/A indicates that CIP is currently assessing its methodology with respect to this metric. All figures reported contain rounding. Totals given in tables are rounded from exact figures.

Cybersecurity incidents

Any material electronic, physical, natural, or social activity that threatens the confidentiality, integrity, or availability of information (IT) systems, or any action that is in violation of the Information Security Policy. The materiality of operational incidents, hence loss and damages directly affecting CIP and Funds under management, are dependent on fund specifics, particularly Asset under Management. The incident limits are set by the Board of Directors as further specified in CIP's Risk Management Policy (internal document).

Energy consumption within the organisation

Defined as GWh of electricity, heating and cooling used at CIP offices including both power procured from the grid and produced on site. For offices where data was unavailable, extrapolations were made based on FTEs. For offices that were shared with other entities, assumptions of split of power use were made based on relative use of office space.

Environmental prosecutions

An instance of legal proceedings (imposed for breaking a law, rule or permit condition) commenced against a project company by the public authority responsible for administering or protecting the natural environment.

Estimated actual GHG emissions avoided

Estimated avoided GHG emissions are taken to result from assets in the fund's portfolio that were generating power as of 1 January 2023. If these assets had not generated that power, it is taken to have been provided by sources comprising the forecasted 2023 energy balance in that country from the IEA.

Avoided GHG emissions are calculated as the difference between the estimated GHG emissions resulting from the total amount of power actually generated by assets in the fund's portfolio and the estimated baseline GHG emissions that would have resulted from the equivalent amount of power being generated in the relevant countries (assuming the 2023 energy balance). Figures for estimated GHG emissions are calculated based on GHG emissions factors for 2023 obtained from the IEA.

Figures include GHG emissions resulting from the development, construction and decommissioning phase, using third-party-verified benchmark estimates of annualised lifecycle Scope 1, 2 and 3 emissions. It should be noted that this figure does not include biomass projects, as CIP is still assessing its methodology for this technology. N/A stated for CI ETF I as the metric is not directly applicable, as its only investment at end 2023 is in an electrolyser producer, and avoided emissions will be captured through the subsequent use of such produced electrolysers. N/A stated for CI Artemis I and CI Artemis II as the metric is not relevant for transmission assets. All figures reported contain rounding. Totals given in tables are rounded from exact figures.

Estimated expected GHG emissions to be avoided

Expected GHG emissions to be avoided are presented as an annual figure. The figure is calculated using the estimated forecast average amount of power generated annually by all assets in the funds' portfolios that have reached Final Investment Decision, including assets that are not yet operational and assets divested during the reporting year.

For the purposes of a more complete overview of expected production over the lifetime of our projects, this represents a methodological deviation from historical figures as reported herein, which apply the forecast power generated in the first full operating year. The figure is calculated as the difference between the estimated GHG emissions resulting from that amount of forecast power and the estimated baseline GHG emissions that would have resulted from the equivalent amount of power being generated annually in the relevant countries. This assumes the energy balance in the year in which the asset started producing energy. Please note that, to account for assets that have begun producing energy prior to reaching COD, this represents a deviation from reported historical figures and past methodology. Figures for estimated GHG emissions are calculated based on GHG emissions factors for the first year of the asset's operations obtained from the IEA. It should be noted that this figure does not include biomass projects, as CIP is still assessing its methodology for this technology. All figures reported contain rounding. Totals given in tables are rounded from exact figures.

For waste-to-energy plants, the figure is calculated using the estimated forecast amount of waste processed annually. The figure is calculated as the difference between the estimated GHG emissions resulting from that amount of waste being processed and the estimated baseline GHG emissions that would have resulted from the equivalent amount of waste being diverted to landfill. Figures include GHG emissions resulting from the development, construction and decommissioning phase, using third-party-verified benchmark estimates of annualised lifecycle Scope 1, 2 and 3 emissions. N/A stated for CI ETF I as the metric is not directly applicable, as the single investment made by the end of the reporting periodis in an electrolyser producer.

Avoided emissions will be captured through the subsequent use of produced electrolysers in green hydrogen production and associated dis-placement of GHG emissions from existing hydrogen production methods. N/A stated for CI Artemis I and CI Artemis II as the metric is not relevant for transmissions assets.

Estimated equivalent households powered

The calculation of estimated equivalent households powered is performed by dividing the amount of actual power generated by assets in the funds' portfolio for the reporting year, by recent estimates of average annual household power consumption in that country (using publicly available data obtained from national energy authorities and national statistics bodies). All figures reported contain rounding. Totals given in tables are rounded from exact figures. N/A stated for CI ETF I and CI ABF I, as no power is currently generated or transmitted. Equivalent households powered for CI Artemis I and CI Artemis II represents power that is transmitted (rather than generated) by the assets. In a deviation from 2022 practices, this figure does not include biomass projects, as CIP is still assessing its methodology for this technology.

Estimated expected equivalent households to be powered

The calculation of future equivalent households powered is performed by dividing the forecast estimated average amount of annual power generated by assets in the fund's portfolio in each country by recent estimates of average annual household power consumption in that country (using publicly available data obtained from national energy authorities and national statistics bodies). The estimates include all assets in the funds' portfolios that have reached Final Investment Decision, including assets that are not yet operational and assets divested during the reporting year. All figures reported contain rounding. Totals given in tables are rounded from exact figures. N/A stated for CI ETF I and CI ABF I, as no power is currently generated or transmitted. Equivalent households powered for CI Artemis I and CI Artemis II represents power that is transmitted (rather than generated) by the assets. In a deviation from 2022 practices, this figure does not include biomass projects, as CIP is still assessing its methodology for this technology.

Gender distribution

The report includes three gender distribution metrics, namely across analysts to senior managers, across leadership and across the board. Leadership is defined as vice president level and higher seniority levels. All three metrics are calculated as the ratio of men to women via a headcount number at the end of the reporting year.

GRESB Score

GRESB is an organisation that administers a global ESG assessment for infrastructure funds, allowing a consistent, globally applicable reporting and benchmarking score. A fund is reported to GRESB after it has reached final close. The GRESB Score is an overall measure of ESG performance – represented as a percentage (100 percent maximum).

GHG accounting approach – CIP Management

CIP's own emissions are estimated in accordance with the GHG Protocol.

Scope 1 accounts for emissions related to the use of fuels for company vehicles (mobile combustion) by CIP Management entities.

Scope 2 accounts for emissions related to purchased or acquired electricity, heat, or cooling by CIP Management entities. Scope 2 emissions are reported as both location-based and market-based.

Scope 3 accounts for emissions related to CIP's corporate value chain. The following Scope 3 are not applicable for CIP Management: Categories

4, 8, 9, 10, 11, 12, 13 and 14. Financed emissions (Scope 3 category 15) is reported separately (see **page 56-58**).

Emissions factors used include supplier-specific emission factors and third-party-verified sources including IEA (2023), AIB (2022), the UK Department for Environment, Food & Rural Affairs (DEFRA) (2023), U.S. Environmental Protection Agency (US EPA) (2023), Fira (2011) and The Big Climate Database; Andrae et al. (2014). Energy-related emissions estimated based on actual energy consumption and extrapolations based on FTEs.

Emissions are estimated based on actual data, where available, and emissions factors include supplier-specific emission factors and third-party-verified sources including national statistics bodies.

CIP's recalculation policy is defined in line with section 9.3 of the GHG Protocol.

GHG Emissions have been measured in tonnes of CO_2e, with all estimated emissions scaled according to global warming potential, to an equivalent number of tonnes of CO_2 emitted

Lost Time Injury (LTI)

A lost time injury is a work-related injury resulting in absence for at least one full working day. The figures presented include employees of all contractors who have been present on the site (where known) and are presented based on information provided directly by project companies and contractors. Figures include projects that are under construction or in operation.

Lost Time Injury Frequency Rate (LTIFR)

This is calculated as the number of LTIs per one million hours worked on project sites. The figures presented include employees of project companies and contractors who have been present on the site (where known) and are presented based on information provided directly by project companies and contractors. Figures include projects that are under construction or in operations.

Total Financed Capacity

The sum of power generating capacities of all projects that have reached Final Investment Decision and have not been fully divested prior to the reporting period, reported on fund level.

Total Recordable Injuries Frequency Rate (TRIFR)

This is calculated as the number of lost time injuries, medical treatment cases and fatalities per one million hours worked on project sites. The figures presented include employees of project companies and contractors who have been present on the site (where known) and are presented based on information provided directly by project companies and contractors. Figures include projects that are under construction or in operations.

Whistleblower cases

Number (sum) of instances where a person has lodged a report through a reporting channel (the whistleblower system) at both investment and CIP management level.

Other definitions[1]

ESG clauses in contracts

Defined as a clause in a major supply contract or other document governing the construction and/or operation of an asset in the funds' underlying portfolio which contains obligations related to one or more of the funds' ESG key focus areas, including environmental impacts, environmental compliance, health and safety, labour standards and fair employment practices and community relations.

Expected FTE Years created

Defined as the cumulative number of job positions created through direct spending from the project measured as the equivalent of one employee working full time for one year.

Final Investment Decision (FID)

An investment is considered to be made and an asset considered being in a fund's portfolio when that fund has taken a Final Investment Decision (FID) on the specific investment.

Fund share

Figures adjusted based on the funds' average proportion of total sponsor funding. Where the fund has divested or otherwise altered its share of the project sponsor funding during the reporting period, an additional adjusted share of sponsor funding is used for actual avoided GHG and households powered figures. This adjusted share does not account for quarters in which the asset was not owned by CIP, as the actual production figures only account for periods with CIP ownership. N/A stated for CI GCF I as CIP is currently assessing its methodology with respect to estimating fund share of total sponsor funding in the context of credit funds.

In operations

CIP defines a project as "in operations" when it has reached commercial operation date, the contractual date on which a project is handed over from the contractor to the owner, and commercial operation of the project begins.

Materiality assessment

This report focuses on the ESG topics most significant to CIP's funds and operations. In 2023, CIP's most material ESG topics were re-evaluated through a double materiality lens: that is, considering both the impact of CIP's operations and investments on the environment and society, and the impact of the environment and society on CIP's operations and investments. The exercise built on the approach taken in 2021 and 2022, where material topics were selected based on both CIP's extensive industry experience, and guidance from the Global Reporting Initiative (GRI). In 2022, this work was supplemented with a peer benchmarking exercise to identify topics deemed material by other stakeholders, as well as review of SASB and ESRS to align with sector-specific standards. Each topic was placed on a materiality matrix of "Significance of impact on society, environment or economy" and "Financial Materiality". This 2023 exercise defined the strategic focus areas that form the basis of this 2023 ESG Report, which were grouped based on the material topics deemed highly material using this double materiality lens.

Outside of Scope emissions

CIP's 2023 outside of Scope emissions were 227.8 tonnes GHG emissions.

SASB indicator selection

For reporting in reference to the SASB indicators, the metrics are selected from the industry standards applying to 'Asset management & custody activities (ver. 2021-12)', 'Electric utilities & power generators (ver. 2018-10)', 'Solar technology & power developers (ver. 2018-10)' and Wind technology & power developers (ver.2018-10)'.

Total project figures

Figures represented on a "total project" basis represent 100% of a project's ESG performance and do not take the project's capital structure or the funds' share of project sponsor funding into account.

Total sponsor funding

CIP defines total sponsor funding as the total amount of funding provided to a project by sources other than senior debt providers and passive investors.

Under development or construction

CIP defines a project as "under development or construction" during the period before it is "In operations" (see definition).

1) This section has not been subject to limited assurance.

Important information

Important Information for this report

This report (the "Report") contains general information about the investment strategies and sustainability approaches applied by Copenhagen Infrastructure Partners P/S, Copenhagen Infrastructure Partners II P/S and funds known as Copenhagen Infrastructure II, Copenhagen Infrastructure III, Copenhagen Infrastructure IV, CI Artemis I, CI Artemis II, CI Energy Transition Fund I, CI Advanced Bioenergy Fund I, CI New Markets Fund I, CI Green Credit Fund I (each a "Fund" and jointly the "Funds"). Copenhagen Infrastructure I was fully divested prior to the reporting period. The Report is issued to comply with certain contractual requirements set out in the governing documents of the Funds. The report has not been prepared for the purpose of complying with any requirements under Danish Financial Statements Act neither in relation to the Funds nor to Copenhagen Infrastructure Partners P/S nor Copenhagen Infrastructure Partners II P/S (jointly "CIP") in their capacity as managers of the Funds.

This Report is not an offer to sell or a solicitation of an offer to buy any security issued by the Fund or any other CIP sponsored investment vehicle (each vehicle being a "CI Fund") or any other security in any jurisdiction, and this Report may not be distributed in any jurisdiction except in accordance with legal requirements applicable in such jurisdiction. Any offer or solicitation relating to the securities of the Funds may only be made by delivery of a final confidential private placement memorandum or other offering documents of the Funds (as amended, restated, supplemented or otherwise modified) and only where permitted by law. An investment in the CI Funds entails a high degree of risk. No risk control mitigant is failsafe, and any investment is subject to significant risk of loss of income and capital, which may occur as a result of identified or unidentified risks. Any performance information in this Report is unaudited, preliminary, and may be based on estimates (reference is made to the independent auditor's assurance statement included in this report). Past performance is not necessarily indicative, or a guarantee, of future results. There can be no assurance that any CI Fund or any investment will achieve comparable results or that CIP will be able to implement its investment strategy with respect to any CI Fund or investment. There can be no assurances or guarantees that the CI Funds' investment or sustainability objectives will be realised, that the CI Funds' investment strategy will prove successful or that investors will not lose all or a portion of their investment in the Funds. Furthermore, investors should not construe the performance of any predecessor CIP-sponsored funds as providing any assurances or predictive value regarding future performance of the Funds. As with all performance data, past performance can provide no assurance of future results.

By accepting this Report, the recipient agrees that, without the prior written consent of CIP, the recipient shall not copy, distribute, make available or otherwise disclose, in whole or in part, any information in this Report to any other parties. This Report is not intended to constitute legal, tax, accounting, finance or investment advice or an investment recommendation. Prospective and existing investors should consult their own advisors about such matters prior to making a determination to invest in a Fund. Certain information included in this Report was derived from third-party materials or other sources believed to be accurate, but no independent verification has been made of such material or other sources . The views expressed herein are the opinions of CIP and should not be construed as absolute statements and are subject to change without notice to you. No representation, express or implied, is given regarding the accuracy of the information contained herein. Neither CIP nor any of its affiliates or their respective officers, directors, employees, representatives, agents, members, partners or shareholders has any obligation to update the information contained herein. CIP accepts no liability or responsibility for the accuracy, content, errors, omissions, completeness, legality, or reliability of the information contained in this Report or obtained in relation to this Report and CIP shall not be liable for any loss or damage of whatever nature (direct, indirect, consequential, or other) whether arising in contract, tort or otherwise, which may arise as a result of a recipient's use of (or inability to use) information contained in or derived from this Report. The inclusion of any third-party firm and/or company names, brands and/or logos does not imply any affiliation with such firms or companies. None of such firms or companies have endorsed CIP, any CI Fund or any of their affiliates or personnel.

Statements contained in this Report are based on current expectations, estimates, projections, opinions and beliefs of CIP as of the date hereof unless stated otherwise, and neither the delivery of this Report at any time nor any sale of the interests in any CI Fund shall under any circumstances create an implication that the information contained herein is correct as of any time after such date. Such statements involve known and unknown risks and uncertainties, and undue reliance should not be placed thereon. Additionally, certain information herein reflects CIP's opinions and beliefs regarding general conditions and potential impacts of such conditions. Such opinions and beliefs are subjective, do not represent a complete assessment of the market and cannot be independently verified. Certain information contained in this Report constitutes "forward-looking statements" that may be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "estimate," "intend," "continue," or "believe" or the negatives thereof or other variations thereon or comparable terminology. Any forward-looking statements included herein are based on CIP's current opinions, assumptions, expectations, beliefs, intentions, estimates or strategies regarding future events, are subject to risks and uncertainties, and are provided for informational purposes only . Actual and future results and trends could differ materially, positively or negatively, from those described or contemplated in such forward-looking statements. Certain numerical data contained within this Report may not add up due to rounding. Moreover, actual events are difficult to project and often depend upon factors that are beyond the control of CIP. Given these uncertainties, no reliance should be placed on such forward-looking statements. No forward-looking statements contained in this Report constitute a guarantee, promise, projection, forecast or prediction of, or representation as to, the future and actual events may differ materially. CIP neither (i) assumes responsibility for the accuracy or completeness of any forward-looking statements, nor (ii) undertakes any obligation to update or revise any forward-looking statements for any reason after the date of this Report.

Any specific investments or case studies identified in this Report were selected for inclusion on the basis of being representative of investments that CIP believes are comparable to current or future investments that CI Funds may seek to make. It should not be assumed that investments identified were or will be profitable or sustainable; that their performance is necessarily representative of CIP's overall performance; that CIP will be able to effect similar changes or improvements in the strategies, business or operations of any future investments; or that decisions CIP or any CI Fund will make in the future will be comparable. Investment results are due to a number of factors in addition to CIP's asset management approach, including the skills and capabilities of portfolio company- or investment-level management, contributions by consortium partners, industry trends and conditions and general economic and financial conditions. Actual results may differ materially, positively or negatively, from those reflected in this Report. The asset management approach of CIP to each portfolio investment is highly particular to each portfolio investment and depends on the facts and circumstances of that particular asset. The sustainability approaches described in any specific investments or case studies identified in this Report may or may not be used for any future CI Fund but are representative of the approaches CIP may employ. No assurances are given that any such sustainability approach will be employed by CIP or will achieve any particular result.

Certain information contained herein relating to any goals, targets, intentions, or expectations is subject to change and no assurance can be given that such goals targets, intentions or expectations will be met. The United Nations Sustainable Development Goals ("UN SDGs") are aspirational in nature. Any express or implied references to whether and how certain initiatives may contribute to or align with the UN SDGs is inherently subjective and dependent on a number of factors and CIP makes no commitment or guarantee that it is investing in companies that have a formal commitment or plan or take specific actions to support or contribute to the UN SDGs. There can be no assurance that reasonable parties will agree on a decision as to whether certain projects or investments contribute to or align with a particular UN SDG. Accordingly, investors should not place undue reliance on references to the UN SDGs, as any application is subject to change at any time and in CIPs sole discretion.

Independent Auditor's Assurance Report on the ESG statement

To the stakeholders of Copenhagen Infrastructure Partners P/S

Copenhagen Infrastructure Partners P/S ('CIP') engaged us to provide limited assurance on the ESG performance data for the period 1 January – 31 December 2023, presented on pages **21**, **31**, **46**, **48**, **51** and **53** to **58** in the ESG Report 2023 (herein-after 'the ESG statement'). Other than as described in the preceding paragraph, which set out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the ESG Report 2023, and accordingly we do not express an opinion on this information.

Management's responsibility

Management of CIP is responsible for designing, implementing, and maintaining internal controls over information relevant to the preparation of the ESG performance data and information in the ESG statement, ensuring they are free from material misstatement, whether due to fraud or error. Furthermore, Management is responsible for establishing objective accounting policies for the preparation of the ESG statement, for the overall content of the ESG statement, and for measuring and reporting ESG performance data in accordance with the accounting policies for ESG reporting ('the ESG reporting practices'), presented on **pages 65-67** in the ESG Report 2023.

Auditor's responsibility

Our responsibility is to express a limited assurance conclusion based on our engagement with Management and in accordance with the agreed scope of work. We have conducted our work in accordance with ISAE 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information and, in respect of the greenhouse gas emissions, in accordance with ISAE 3410 Assurance Engagements on Greenhouse Gas Statements, and additional requirements under Danish audit regulation, to obtain limited assurance about our conclusion. Greenhouse gas emissions quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emis-sion factors and the values needed to combine emissions of different gasses.

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the ESG statement is free from material misstatement, whether due to fraud or error, and prepared, in all material respects, in accordance with the reporting principles;
- forming an independent conclusion, based on the procedures we performed and the evidence we obtained; and
- reporting our conclusion to the stakeholders of CIP.

Deloitte Statsautoriseret Revisionspartnerselskab applies International Standard on Quality Management 1, ISQM 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We have complied with the requirements for independence and other ethical requirements of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, and ethical requirements applicable in Denmark.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Work performed

We are required to plan and perform our work in order to consider the risk of material misstate-ment in the ESG statement. To do so, we have:

- conducted interviews with data owners and internal stakeholders to understand the key processes and control activities for measuring, recording and reporting the ESG performance data;
- reviewed evidence on a selective basis to check that data has been appropriately measured, recorded, collated and reported;
- performed analysis of data, selected based on risk and materiality;
- made inquiries regarding significant developments in the reported data;
- considered the presentation and disclosure of the ESG performance data;
- assessed that the process for reporting greenhouse gas emissions data follows the principles of relevance, completeness, consistency, transparency and accuracy outlined in The Greenhouse Gas Protocol Corporate Standard Revised edition (2015); and
- evaluated the evidence obtained

Our conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us not to believe that the ESG statement for the period 1 January - 31 December 2023, presented on pages **21**, **31**, **46**, **48**, **51** and **53** to **58**, have been prepared, in all material respects, in accordance with the ESG reporting practices.

Copenhagen, 15 March 2024

Deloitte
Statsautoriseret Revisionspartnerselskab
Business Registration No. 33 96 35 56

Bill Haudal Pedersen	**Mads Stærdahl Rosenfeldt**
State Authorised Public Accountant	ESG Partner
MNE no 30131	

Appendix: CSR Commentary for Funds

This section represents compliance with the statutory statement on corporate social responsibility, in accordance with section 99a of the Danish Financial Statements Act.

Corporate social responsibility
Copenhagen Infrastructure Partners P/S ("CIP") is a fund manager and the primary management company in the group. As the primary management company, CIP sets and implements the respective environmental, social and governance ("ESG") standards and practices, aligned with established international standards and norms, across its investments and funds. As such, corporate social responsibility ("CSR") approaches are set and implemented by CIP, and these apply to CIP's current funds under management ("funds"). Due to CIP's role as a fund manager, a description of its efforts and approaches to CSR are also included in this text. This provides for a holistic representation of the funds' approaches to this topic.

Policies governing human rights, social and staff-related matters, environmental and climate, and anti-corruption
The funds are subject to a Responsible Investment Policy covering human rights, social and staff-related matters, environment and climate, and anti-corruption. The policy contains the fundamental responsible investment principles applicable to the funds (which cover such matters), as well as the underlying procedures supporting the implementation of those principles. These include procedures applied during investment selection, due diligence, structuring and asset management. The policy also contains guidance on applicable engagement approaches, tracking and reporting of performance.

CIP promotes human rights principles and has a zero-tolerance approach to infringement of these. For social and staff-related matters, CIP acknowledges the fundamental importance of employees working on the underlying assets in its funds and takes steps to protect their rights. The funds also maintain a responsible approach to environmental and climate issues, with a climate-friendly investment policy and requirement to adopt good industry environmental practices. The funds have no tolerance for bribery or corruption carried out in connection with its investments.

Implementation of corporate social responsibility efforts (general)
CIP takes a de-risking approach to the implementation of ESG when it makes investments. Primary initiatives during implementation include:

- Covering ESG topics during due diligence and risk assessment, with involvement of an external advisor and internal ESG resources
- Including ESG topics in key contracts with ongoing follow-up
- Concrete, project-specific ESG standards anchored in any project board and/or committees on which the Fund is represented
- Dedicated on-site resources to monitor ESG issues during construction

Specific implementation and risks (social and staff-related matters)
Implementation of policy on social and staff-related matters is primarily focused on health and safety, which CIP deems its most significant potential risk in this area on the fund level. To manage these risks, CIP seeks to include provisions in project contracts for construction and operations of fund assets, which establish obligations aligned with the applicable Responsible Investment Policy. In addition to contractual standards, CIP monitors the funds' performance on an ongoing basis and receives monthly reports on the status of investments. If a significant event occurs on any project sites, CIP will be notified promptly, and will assess and respond accordingly. ICIP will also use lessons learned from previous incidents to understand risk profiles, specific risk exposures on other assets and identify potential actions to prevent similar incidents from occurring again.

Results (social and staff-related matters)
In 2023, CIP has continued to strive to improve its workplace health and safety across all funds and investments through robust safety management processes and it recognises the importance of learning from any incidents that have occurred.

Specific implementation and risks (human rights)
CIP strongly condemns any form of child labour, forced labour and/or violations of labour rights, which has been identified as the funds' most significant potential risk in this area. To manage these risks, CIP takes steps such as immediately investigating any allegations of infringements of such rights occurring in connection with its investments. In addition, this includes active engagement with suppliers and legal agreements enforcing ESG standards, where applicable. In 2023, the Code of Conduct for Business Partners has been formally rolled out and integrated into CIP's operating model. This document is intended to apply fund-specific ESG standards in a consistent, globalised manner when contracting with business partners. Terms included in this document will be a part of contractual agreements, where applicable. Specific trainings were held to ensure the relevant CIP individuals have sufficient knowledge to implement the Code of Conduct, in positions where CIP is actively involved in the procurement process. The Code of Conduct for Business Partners is supplemented with specific ESG clauses for each investment made by the funds, which typically relate to labour rights, health and safety, anti-bribery and anti-corruption, as well as

environmental management. In addition, CIP has conducted deep dives on particular suppliers.

Results (human rights)
CIP is not expected to have an adverse effect on human or labour rights at the fund level. It follows local regulations and expects investment to comply with international commitments related to human rights (e.g. United Nations Guiding Principles on Business and Human Rights). CIP believes that it has contributed positively to the preservation of human rights during the financial year and expects this to continue in future. CIP is not aware of any breaches of human rights and continues to monitor its counterparties on an ongoing basis.

Specific implementation and risks (anti-corruption)
The Compliance function has implemented CIP's internal staff anti-corruption framework, through its Code of Conduct and Anti-Bribery & Corruption Policy. Within this area, the most significant risks to CIP's activities relate to its investments and potential non-adherence to CIP's Responsible Investment Policy and anti-bribery and corruption requirements.
To manage these risks at the fund level, CIP has taken measures to reduce the risk of corruption, by performing due diligence, monitoring of counterparties and requiring standards of business conduct in contractual agreements.

As a fund manager with international operations, CIP recognises and manages risks related to potential bribery and corruption exposure, stemming from its presence in multiple jurisdictions. In 2021, CIP commenced an Anti-Bribery and Corruption (ABC) project to establish key measures to mitigate the ABC risks which CIP is exposed to. In 2022, CIP developed and rolled out an ABC Policy, with a zero-tolerance approach towards bribery and corruption.
In addition, CIP implemented a mandatory e-learning course on ABC. In 2023, CIP standardised and formalised its approach to third-party screenings. This applies to both third parties which investment teams contract for projects, and third parties at the manager level (e.g. local office IT contacts). During 2023, CIP has also developed procedures for control requirements. The objective of these procedures is to ensure that all projects have a clear policy for anti-bribery, with financial controls in place to mitigate the risks of bribery and corruption. CIP will continue to execute initiatives under the ABC project framework and ensure implementation of the ABC procedures and controls developed in 2023.

Results (anti-corruption)
CIP believes that it has not contributed to any form of corruption or bribery in 2023 at the fund level.

Specific implementation and risks (environment and climate)
CIP is highly focused on ensuring that environment and climate is considered across the funds, which predominantly invest in renewable energy infrastructure projects. Such investments deliver a significant contribution to the climate in terms of avoided greenhouse gases (GHG). At the fund level, principal risks relate to environmental discharges, unintended environmental impacts, such as biodiversity, and emissions of investments, which mainly occur in the construction phase. To manage risks of biodiversity, CIP has launched a Biodiversity Action Plan, which formalises guiding principles for working with biodiversity on future investments. CIP is working on integrating decarbonisation initiatives into our suppliers standards to ensure transparency on the supply chain emissions of components across select fund strategies. In terms of environmental impacts, the funds comply with environmental principles concerning:

- Obligations to identify and assess environmental consequences and issues of an investment, and to properly observe relevant laws and regulations; and
- Minimisation of the environmental consequences related to the construction and ongoing operations of infrastructure assets, in accordance with good industry practice.

Results (environment and climate)
CIP believes it has delivered a positive contribution within climate and environmental impact in 2023 at the fund level.

Conclusion
CIP will uphold high ESG standards and drive positive change across its funds. CIP will achieve this by, for example, continuing to collaborate closely with key project contractors to ensure high health and safety standards, addressing biodiversity matters and implementing decarbonisation initiatives. In 2024, CIP expects to continue driving positive impact, expanding its efforts on human rights, environment and climate, staff-related matters, and anti-corruption.

Risk assessment and risk mitigation
In addition to the ESG risks (sustainability risk) described in other sections, the main risks associated with the overall investment process of the funds, through each stage of their lives, are:

- Market risks
- Credit risks
- Counterparty risks
- Liquidity risks and
- Operational risks including but not limited to:
  - Risk of non-compliance with the investment strategy
- Regulatory risks
- Cyber risks
- Development risks

- Construction risks
- Financial and valuation risks

The most material risks are summarised in a risk profile for each fund, which is reported to the Board of Directors and investors through the Quarterly Investor Report. To manage the identified risks, CIP – as the overall fund management company – has a Risk Management Function and Risk Committee in place. The Risk Management Function is supervised by and reports to the Board of Directors. The key responsibilities of the Risk Management Function are to initiate, secure implementation of, and follow up and assess procedures regarding:

- Risk identification
- Risk measurement
- Risk monitoring
- Stress tests/analysis

The individual departments within CIP have the overall responsibility for each risk and to implement and carry out the risk procedures.

Data ethics
CIP has established a policy for data ethics which includes information on two main areas: general privacy and IT security. CIP's "Privacy Notice" and guideline for employees on "GDPR and data protection compliance" include information about what type of private data is allowed to be collected, from whom, how it is done, what it is used for, and the legal basis for collecting the data and possible data transfer. Furthermore, CIP's IT Security policy and guidelines provide a set of principles, obligations and responsibilities regarding information security for CIP.
The objective is to define information security requirements and demonstrate CIP's commitment to protecting the confidentiality, integrity and availability of information assets and data. The policy contains instructions on, for example, data discipline, virus and hacking safety measures, as well as business continuity plans in case of serious system disruptions.

ESG Report 2023

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